C2350-

COAL INDUSTRY NEWS

Coal's National Newspaper

BULK RATE
U.S. POSTAGE
PAID
Permit No. 332
Des Plaines, IL 60018

NOVEMBER 22, 1982 1301 Pennsylvania Ave., N.W., Washington, D.C. 20004 Volume 6, Number 17 $1 a Copy; $24 a Year

Massey Terminal Prepares for 1983 Opening

A.T. MASSEY'S new coal terminal nears completion at Newport News, Va. Loading should begin sometime next year, though spokesmen remain uncertain about the completion timetable. The facility will be joined by that of a five-company consortium which will spend $135 million for a 15 million ton-per year terminal in the same vicinity. A focus on port terminal progress begins on page 5.

NEWS ROUNDUP

The Burlington Northern railroad is so well established and so near potential utility sites that the Missouri Pacific and Union Pacific cannot cut it out of the coal business, the Interstate Commerce Commission ruled in approving the last two railroads' merger. B.N.'s strategy included championing the interests of the utilities, which it claimed would be forced to deal with a monopolistic railroad capable of setting profit-maximizing coal rates that the utilities along the route were in no position to combat. **The ICC found the argument "unpersuasive"** because none of the supposedly maligned utilities either protested the merger or filed evidence to support the weak protests they did offer.

* * *

Energy Secretary-designate **Donald Hodel said he will immediately try to repair the tattered morale and effectiveness** of a Department of Energy staff grown fearful over the last two years that their jobs would be abolished along with the agency. Hodel emphasized that "dismantlement" is no longer a goal of the Reagan administration, but subsuming DOE under the Commerce Department still is. Hodel also said he has no present plans to cut DOE programs.

* * *

Mobil Oil Corp. and Nissho Iwai Corp., a leading Tokyo general trading company, plan to form a joint venture **to explore and develop Indonesian coal.**

(Continued on page 2)

N.Y. Botanical Unit Sees Ozone, Not Acid Rain, as Pollutant Culprit

By Gene Smith

STONE RIDGE, N.Y. — Ozone, not acid rain, is the primary pollutant source on trees in the Hudson River Valley, asserted the director of New York Botanical Gardens' Institute of Urban Horticulture at a day-long seminar here.

Dr. David Karnosky said that "in field observations over the past five years — mostly in the growing season — we have seen only evidence of ozone effects. We have not yet seen any evidence of the effects of acid rain." He added that the trees had been located at two sites in New York City, one at Carey Arboretum some 60 miles up the Hudson at Milbrook, N.Y., and at New Brunswick, N.J.

Later, Karnosky told *Coal Industry News* that earlier tests had shown "ozone stipple on some sensitive trees, but no sulfur dioxide or acid rain effects."

Sponsored by the Hudson River Environmental Society, "Coal and the Hudson — Issues for the '80s" at Ulster County Community College attracted close to 100 persons.

A keynote speaker, William Baker, chief of the air programs branch in Region 2 of the Environmental Protection Agency, said that Orange and Rockland Utility's Lovett plant at Stony Point "is closest to conversion of the five plants so designated in New York State." He added that Consolidated Edison's two plants at Arthur Kill and Ravenswood were second and that Niagara Mohawk's plant near Albany "may be approved with no need for EPA involvement."

Gerald Lauer, senior scientist for Ecological Analysts Inc. of Middletown, N.Y., startled many in the audience when, after a detailed discussion of the inherent problems of coal, he said, "Utilities could eliminate 90 percent of the public's concern if they'd pay attention to good housekeeping — spillage, dust and so on. That way they'd eliminate most of the complaints that arise over their operations."

Most of the speakers approached the session with a view that coal was going to return to this region during this decade. Several, such as Lauer and Jennifer Hood of the air quality unit of Charles T. Main Inc., Boston, who spoke on sonic effects of coal conversions, offered specific solutions to inherent problems.

However, Klara Sauer, executive director of Scenic Hudson Inc. of Poughkeepsie, warned that "only the tip of the iceberg is being covered here today. Without exception, coal is dirty. All the (state's) utilities, with the exception of Central Hudson Gas and Electric, have filed for conversion and all seek increases in emission rates, so there'll be a marked decline in our environment."

Sauer also noted that "10 years ago, most environmental groups did not support coal. Now they do because of economics."

Change at UMW Helm Gradually Gets Under Way

By Steve Marcy

WASHINGTON — Defeated United Mine Workers President Sam Church, Jr. reluctantly began surrendering his office to miner-turned-lawyer Richard Trumka late last week while Church's deeply divided administration agonized over a possible legal challenge to the election that, if successful, might split the union.

Church ordered the union's staff to cooperate with the forces of the 33-year-old Trumka, whose unexpectedly wide two-to-one victory margin in the Nov. 9 election surprised even his confident campaign staff. Church did so only after a majority of the 24-member International Executive Board made it clear they would order the transition if Church didn't cooperate voluntarily.

A confused Church administration, which twice scheduled and then canceled a press conference to announce their plans, was considering a formal protest to the Labor and Interior Departments following certification of the results by union tellers, scheduled for Dec. 1.

The protest under consideration would charge Trumka with fradulently certifying his elegibility to stand for office. The challenge would suggest forgery of a 1979 signature of then-president Arnold Miller attesting that Trumka met the minimum work experience in the mines required to stand for union office. The IEB accepted the signature at the time, allowing Trumka to be seated as a board member after he won election from District 4.

Part of Church's campaign staff is convinced the incumbent's stature is further reduced in the union regardless of the outcome of any challenge he might mount, sources close to the campaign staff told *Coal Industry News*.

"A Lot of Ill Will"

"People out there who voted against Sam don't harbor any tremendous ill will for Sam Church. But if he goes ahead and pulls this, there will be a lot of ill will against

(Continued on back page)

INSIDE

THE 1982 ELECTIONS could spell change in Congress — and not just because some key energy committee chairmen and members won't be back next year. S. Lawrence Paulson explains **on page 2.**

COAL EXPORT TERMINAL projects, including a new five-company consortium at Newport News, Va., are quietly progressing. Gene Smith describes what's going on in a **Focus beginning on page 5.**

TIMES MAY SEEM HARD compared to the fairly recent period of rapid growth. But it's important to consider the long term too, suggests Editorial Advisory Board Chairman John Corcoran in a **Commentary on page 10.**

FACTS & FIGURES

	WEEKLY		
	11/6/82	10/30/82	11/7/81
Production			
Bituminous, recent week	15,848	15,761	18,815
Bituminous, year to date	705,832	682,617	—
Anthracite, recent week	87	87	184
Anthracite, year to date	5,127	4,803	—
Railroad carloadings			
Bituminous, recent week	108,311	107,842	131,973
Bituminous, year to date	4,891,742	4,747,177	—
Anthracite, recent week	291	320	566
Anthracite, year to date	9,233	15,772	—

Production data in thousands of short tons.
Source: U.S. Dept of Energy, Energy Information Administration—Weekly Coal Report.

	WEEKLY		
	11/6/82	10/30/82	11/7/81
Production by states, bituminous and lignite			
Eastern			
Alabama	512	509	567
Georgia	—	—	—
Illinois	1,179	1,173	1,352
Indiana	580	577	695
Kentucky:			
Eastern	2,067	2,076	2,543
Western	715	711	860
Total, Ky.	2,802	2,787	3,403
Maryland	77	77	90
Ohio	734	730	710
Pennsylvania	1,488	1,480	2,420
Tennessee	155	154	210
Virginia	754	750	1,025
West Virginia	2,474	2,460	2,840
Total, Eastern	10,[illegible]55	10,697	13,312
Western			
Alaska	15	15	21
Arizona	213	211	252
Arkansas	4	4	6
Colorado	367	365	420
Iowa	12	12	14
Kansas	17	1728	
Missouri	97	96	119
Montana	541	538	795
New Mexico	338	336	340
North Dakota	358	356	367
Oklahoma	104	104	95
Texas	638	634	810
Utah	309	308	185
Washington	89	88	105
Wyoming	1,991	1,980	1,946
Total Western	5,093	5,064	5,503
Total, United States	15,848	15,761	18,815

In short tons (000).
Source: U.S. Dept of Energy, Energy Information administration—Weekly Coal Reports.

	MONTHLY		
	8/82	7/82	8/81
Coal Labor			
All employees			
Coal Mining	229.1	226.5	254.7
Bituminous & Lignite	225.7	223.2	251.1
Production employees			
Coal mining	186.4	183.1	211.1
Bituminous & Lignite	183.4	180.1	207.9
Hours, weekly average			
Coal mining	38.5	39.2	42.1
Bituminous & Lignite	38.5	39.2	42.1
Earnings, hourly average			
Coal mining	13.05	12.89	12.35
Bituminous & Lignite	13.10	12.93	12.39
Earnings, weekly average			
Coal mining	502.43	505.29	519.94
Bituminous & Lignite	504.35	506.86	521.62

Source: U.S. Dept. of Labor, Bureau of Labor Statistics—Employment and Earnings.

	MONTHLY		
	7/82	6/82	7/81
Bituminous and Lignite			
Consumption			
Electric power utilities	54,660	55,206	54,349
Coal user stocks of coal			
Electric power utilities	165,182	164,687	132,072
Anthracite			
Consumption			
Electric power utilities	95	108	133
Coal user stocks of coal			
Electric power utilities	5,791	5,658	5,337

Note: Data give in thousanos of short tons.
Source: U.S. Dept. of Energy Information Administration—Weekly Coal Report.

	8/82	7/82	8/81
Coal User Production			
Major district users:			
Electric utilities			
(Mil Kwh.)			
Monthly	110,122	110,458	108,403

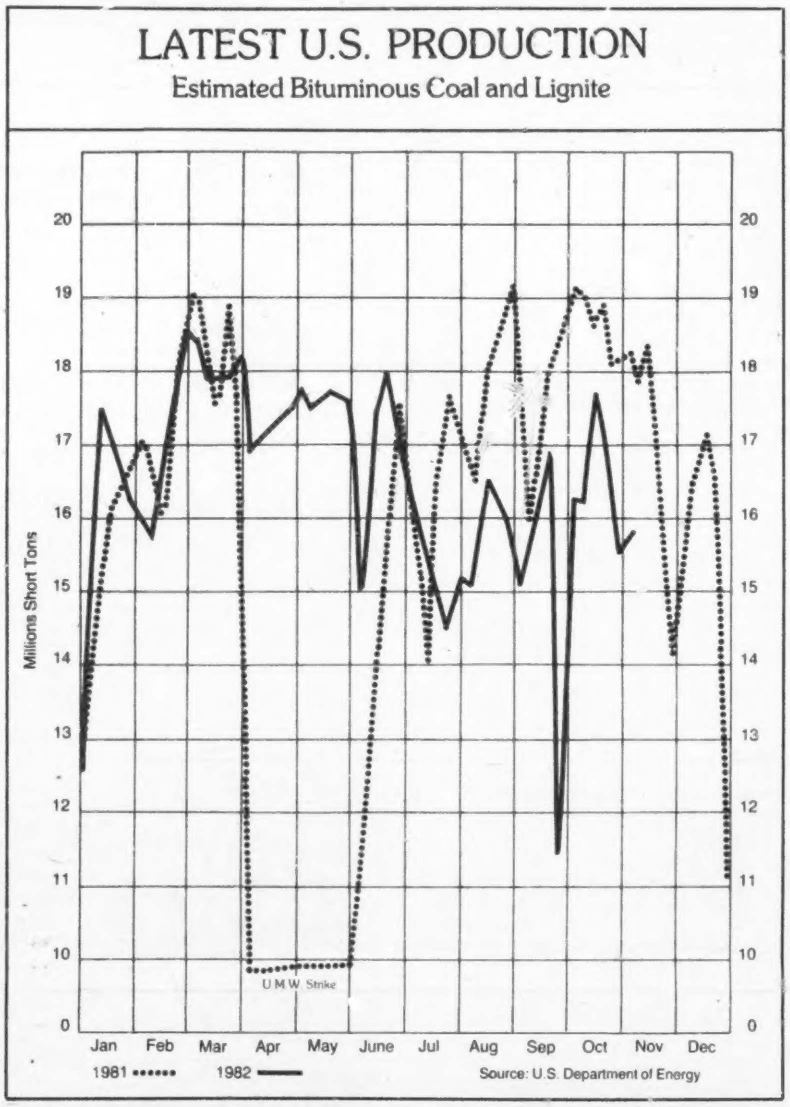
	MONTHLY		
Price Indexes	10/82	9/82	6/82
Bituminous Coal and Lignite	105.0	105.1	103.8
Primary Products	103.9	104.2	103.8
Prepared	104.6	104.7	103.4
Steam electric utilities	105.2	105.6	103.7
North Appalachia	102.3	104.2	101.5
Spot	N.A.	116.4	91.2
Contract	102.5	102.5	102.9
South Appalachia			
Contract	99.3	98.7	98.2
Midwest	109.5	109.3	108.6
Contract	110.8	110.7	109.8
West	109.1	109.0	105.1
Contract	109.1	109.0	105.1
Metallurgical/coke producer	101.9	101.8	102.6
High volatile	100.2	100.1	101.5
North Appalachia	97.2	97.2	99.7
Contract	97.2	97.2	N.A.
South Appalachia			
Contract	101.8	101.7	102.6
West	100.7	100.7	99.4
Low volatile	104.2	103.5	103.4
North Appalachia			
Contract	105.0	104.7	99.0
South Appalachia			
Contract	104.4	103.5	106.1
All other industrial	102.7	100.3	101.3
North Appalachia			
Contract	99.5	N.A.	93.9
Midwest			
Contract	107.2	106.0	103.1
Unprepared (raw)	101.8	102.6	105.2
For preparation at other establishments	N.A.	N.A.	N.A.
For use without preparation	N.A.	N.A.	N.A.
Anthracite	153.8	153.8	153.8
Primary products	152.5	152.5	152.5
Prepared anthracite shipped	154.5	154.5	154.5
Stove	151.1	151.1	151.3
Chestnut	150.9	150.9	150.9
Pea	160.3	160.3	160.3
Buckwheat no. 1	149.0	149.0	149.0
Buckwheat no. 2	160.8	160.8	160.8
Buckwheat no. 4	143.9	143.9	143.9
Buckwheat no. 5	112.0	N.A.	112.0

N.A.—Not Available

Source: Bureau of Labor Statistics, Dept. of Labor.

Note: The Bureau of Labor Statistics has recalibrated its producer price index figures for bituminous and lignite, as well as reorganizing its pricing categories. The new index is based on a compilation of average prices for December, 1981, and that month appears as 100. The former index used June, 1976 prices as its base.

Domestic


LATEST U.S. PRODUCTION
Estimated Bituminous Coal and Lignite

Source: U.S. Department of Energy

SOFT-COAL PRODUCTION climbed 6 percent the week of Nov. 6 to 15.8 million short tons, an increase of 87,000 tons from the previous week, the Energy Department's Energy Information Administration reported. In the corresponding week of 1981, production was 18.8 million short tons. Total for the year through Nov. 6 was 705.8 million short tons, a 3.4 percent increase for the same period in 1981.

	Quantity in short tons			Dollar Value			Avg. Value per short ton		
	9/82	8/82	9/81	9/82	8/82	9/81	9/82	8/82	9/81
Bituminous coal, others No. 5213120									
Belgium	120,903	46,742	—	4,307,909	1,827,460	—	35.63	39.09	—
Canada	1,477,985	1,206,065	1,542,450	74,253,778	60,658,124	73,391,622	50.23	50.29	47.58
China, Taiwan	314,710	65,438	299,261	14,181,657	2,690,412	12,400,219	45.06	22.30	41.44
Denmark	461,905	125,983	369,687	21,283,084	6,275,563	15,736,966	46.07	49.81	42.57
Finland	32,270	106,445	220,369	1,463,777	4,995,302	10,240,682	45.36	46.92	46.47
France	211,857	461,452	305,198	9,480,662	21,291,329	14,051,274	44.75	46.13	46.04
Germany, F.R. (West)	125,447	95,199	291,961	6,442,510	5,910,319	14,557,644	51.35	62.08	49.86
Italy	360,550	164,506	422,062	18,285,671	9,545,807	20,590,324	50.71	58.02	46.58
Japan	191,139	178,959	413,521	9,325,092	9,476,954	20,637,689	48.78	52.95	49.91
Netherlands	350,589	423,425	237,733	18,722,147	20,833,595	10,072,791	53.40	49.20	46.16
Spain	324,416	200,817	253,817	16,348,805	9,411,329	12,042,260	50.39	46.86	47.44
Total, above	3,971,771	3,075,031	4,643,575	184,770,009	152,916,203	217,028,072	46.52	49.72	46.74
Total, other nations	554,581	182,917	193,150	22,099,958	10,045,818	10,274,092	39.84	54.92	53.19
Total, all nations	4,256,352	3,257,948	4,836,725	206,869,967	162,962,021	227,302,164	48.60	50.01	47.00
Lignite No. 5213130									
Total, all nations	2,936	5,313	3,701	255,828	316,275	1,011,007	87.13	59.52	273.17
Coal coke for use as fuel No. 5213148									
Total, all nations	129,279	55,023	96,830	5,396,796	4,995,532	5,506,375	41.74	90.78	63.44
Petroleum coke, except calcined No. 5213150									
Canada	53,961	2,888	—	2,999,804	106,787	—	55.59	36.97	—
Japan	238,930	288,270	171,894	10,118,068	13,839,833	9,263,055	42.34	48.00	53.89
Netherlands	179,257	97,442	—	10,006,907	5,321,550	—	55.82	54.61	—
Total, above	472,148	388,600	278,679	23,124,779	19,268,170	16,327,692	48.97	49.58	58.59
Total, other nations	316,913	343,899	243,550	7,995,493	12,687,952	11,840,702	25.22	36.89	48.62
Total, all nations	780,061	732,499	522,[illegible]29	31,120,272	31,956,122	28,168,394	39.43	43.62	53.94
Compositions for fuel No. 5213160									
Total, all nations	55,610	813	11,258	2,712,843	85,524	653,924	48.78	105.19	58.09
Anthracite No. 5213170									
Korea Rep. (South)	33,069	72,788	133,105	1,080,000	2,327,537	4,504,668	32.65	31.97	33.84
Total, all nations	77,141	86,339	307,075	4,327,557	3,485,349	13,518,374	56.09	40.36	44.02

Exports & Imports

	Quantity in short tons			Dollar Value			Avg. Value per short ton		
Bituminous coal, low volatile blends to make coke No. 5213110	9/82	8/82	9/81	9/82	8/82	9/81	9/82	8/82	9/81
Belgium	347,744	426,626	520,349	16,598,634	24,524,221	31,876,057	47.73	57.48	61.14
Brazil	266,793	460,590	223,739	10,818,698	21,241,697	163,860	40.55	46.05	62.85
Canada	376,596	301,872	696,212	25,168,629	20,010,990	42,421,693	66.83	66.28	60.93
France	377,487	110,834	384,763	18,406,512	7,046,840	24,151,308	48.76	63.58	62.77
Germany, F.R. (West)	205,481	22	293,212	10,549,589	1,200	16,841,182	51.34	54.54	57.44
Italy	526,782	499,224	518,239	24,667,919	23,519,483	28,547,041	46.82	47.11	55.08
Japan	1,119,332	1,546,292	2,277,407	63,108,821	91,817,191	137,029,709	56.38	59.37	60.17
Netherlands	329,839	147,331	138,214	17,817,448	8,762,671	7,894,456	54.01	59.47	57.12
Spain	221,333	411,103	331,942	10,409,558	18,853,902	19,129,968	47.03	127.96	57.63
Sweden	154,817	134,303	286,735	8,015,507	8,283,171	16,364,500	51.77	61.67	57.07
United Kingdom	158,090	213,012	—	8,437,668	13,569,625	—	53.37	63.70	—
Yugoslavia	66,087	49,252	189,078	4,274,059	2,600,908	10,453,735	64.67	52.80	55.29
Total, above	4,150,361	4,300,461	6,178,334	218,273,040	216,710,018	366,543,537	52.59	50.39	59.33
Total, other nations	828,782	292,499	573,734	46,500,347	39,085,537	33,493,131	56.10	133.62	58.38
Total, all nations	4,979,163	4,592,960	6,752,068	264,773,387	255,795,555	400,036,668	53.17	55.69	59.25

C2350-1

1800002502 U001D B /A01
MS JEANNE LONG
CONGRESSIONAL INFO SVC
4520 EAST WESY HWY STE 800
WASHINGTON DC 20014

Focus on
COAL PREPARATION
Begins on Page 4

COAL INDUSTRY NEWS
Coal's National Newspaper

U.S. POSTAGE
PAID
Permit No. 332
Des Plaines, IL 60018

DECEMBER 13, 1982 1301 Pennsylvania Ave., N.W., Washington, D.C. 20004 Volume 6, Number 18 $1 a Copy; $24 a Year

NEWS ROUNDUP

The Interior Department's plan to merge the Bureau of Land Management into the new Minerals Management Service by June 1 **could place officials more favorably disposed toward expanded federal leasing** in the 13 state BLM directors' slots. David Houston, deputy assistant Interior secretary for energy and minerals, told reporters BLM Director Robert Burford, a mining engineer, would decide in which states the MMS personnel will top the hierarchy in the newly merged agencies and in which ones BLM personnel remain in control. MMS Deputy Director David Russell added that **MMS will bring a multiple use attitude to BLM**, which he said has previously listed too much toward conservation.

* * *

Poland expects 1982 production to reach 190 million metric tons, the country's official news agency disclosed, adding that exports should hit approximately 30 million metric tons in the same period. It said that most of the export increase — nearly double 1981 levels — are to hard currency countries, suggesting a return to difficult, but tradiional, markets that the Eastern European nation lost due to domestic anti-export moves and competition from the West.

* * *

Eastern Gas and Fuel Associates expects 1982 earnings to top last year's record due to **"significant" increases in coal production and productivity**. President William J. Pruyn told New York analysts that EG&F's increased coal productivity, which is expected to lift that sector's pre-tax earnings from 1981's $28 million to nearly $50 million this year, is due to more longwall mining and "labor peace."

(Continued on page 2)

INSIDE

COAL PREPARATION activity abounds, with much of it centered around chemical innovations and improved traditional techniques. Gene Smith takes a closer look as part of a **Focus on pages 4 and 5.**

PACIFIC RIM DEMAND could increase pressure on California ports and railroads, forecasts a newly released study by that state's energy commission. **Commentary on Coal on page 6.**

THE UMW'S NEW PRESIDENT is taking the helm with a mixture of tough talk and conciliatory signals. Steve Marcy examines Rich Trumka's emerging strategy in the latest **Washington, FYI on the back page.**

As Key Sponsors Depart 2 Coal Projects

Synfuels Corp. Feels the Heat of Criticism

By Marcy Gordon

WASHINGTON — The $15 billion Synthetic Fuels Corp., once the adored child born during a time of short energy supplies, looks more and more these days like a battered street urchin.

Some of the corporation's supporters in Congress, like Senate Budget Committee Chairman Pete V. Domenici, R-N.M., have criticized its tardiness in making financial awards — and warned that its funding could be cut by hostile legislators if it does not move faster.

And, on the other side, the synfuels entity is coming under increasing attack by opponents who accuse it of desperately trying to invent ways to spend its money as the private sector's interest in synthetic fuels continues to wane.

The SFC board's recent announcement that it will sign non-binding "letters of intent" for assistance with the sponsors of three relatively small synfuels projects, the critics say, is just that sort of frantic effort. The three projects — involving peat-to-methanol conversion, tar sands and heavy oil — are expected to receive up to $556.5 million in loan guarantees, price guarantees and other aid from the corporation in the coming months.

But larger coal conversion projects competing for corporation aid have been plagued with difficulties.

Ashland Leaves H-Coal

The Breckinridge H-Coal liquefaction project, which had widely been considered the most viable proposal in the U.S. synfuels arena, was recently abandoned by its major sponsor, Ashland Oil Inc. The more than $3 billion project was dropped from the SFC's first solicitation by the seven-member board at its Dec. 2 meeting.

That left as the sole first-round contender for federal aid the Hampshire Energy coal-to-gasoline conversion venture planned for Gillette, Wyo. — which recently lost one of its five partners, Standard Oil Co. of Ohio. Hampshire was given a reprieve by the synfuels directors: They extended to next April the deadline for its sponsors to show that they have sufficient equity backing and technical capability for the project.

Efforts have reportedly been under way to resuscitate the 25,000-barrel per day Breckinridge project. Potential new sponsors — including Japanese and West German investors — are waiting to "let the dust settle a bit" before deciding whether to get involved, according to an informed obser-

(Continued on back page)

Conoco Opens its New Coal Research Facility

WITH THE POSSIBILITY of becoming one of the most comprehensive centers of its kind, Conoco Inc.'s coal research division has dedicated its new coal technology center at 4000 Brownsville Road in Library, Pa., 12 miles south of Pittsburgh. Including a combustion research facility, beneficiation laboratory and analytical facilities, the $10 million complex will focus on Conoco subsidiary Consolidation Coal Co. and its customers to maximize and optimize coal use, officials said.

Western Governors Pleased Following Meeting with Watt

By Arnold Irvine

SALT LAKE CITY — Western governors went into their meeting with Interior Secretary James Watt last month in Denver asking a bigger voice in the federal coal leasing process in their states. They got what they wanted when Watt agreed to the changes they proposed, according to Utah Gov. Scott Matheson, chairman of the National Governors Association.

"All of the western coal state governors were there," Matheson told *Coal Industry News*. "In his (Watt's) view, the agreement was merely a clarification of the leasing guidelines. It was an amicable meeting; a basic, sound process. I thought the meeting was eminently successful."

He noted that the governors have been pressing for alteration of the leasing process since the beginning of the year. They had drawn up a list of 15 changes they wanted. Individually, they expressed their feelings in letters to and talks with Watt.

"But individually, we had not brought our message home as forcefully as we needed to do. We asked for a meeting," Matheson recalled.

Watt agreed to meet with them when they gathered in Denver on other matters. "We felt sufficiently strong about this matter that we stayed an extra day to meet with the secretary. We consdered it a real test of our relationship with the secretary," Matheson said of the three-hour session.

He said that the governors were preapred to go all out to secure the adoption of their proposals. Had Watt turned them down, they were ready to seek a meeting with

(Continued on page 2)

Watt Reverses Predecessors' Position, Bans Future Federal Coal Leases to Rail Affiliates

WASHINGTON — Interior Secretary James Watt has banned the future leasing of federal coal by corporate affiliates of railroads, reversing the position of his predecessors and puzzling observers on Capitol Hill.

The reversal reconciles a long-standing difference between Interior and the antitrust division of the Justice Department. What's puzzling is Interior's support for repeal of 2(c), long bottled up in the Senate Energy Committee, which the announcement seemingly repudiates.

"Maybe it's an early Christmas present to the National Coal Association," quipped one Capitol Hill observer. He doubts, but doesn't rule out, the decision is a ploy to heat up the debate and force a vote on the issue; the timing — the end of a congressional session — is wrong. Interior Solicitor William Coldiron traveled last week to Lexington, Ky., where he explained the ban in advance to the NCA board.

Section 2(c) of the Minerals Leasing Act prohibits railroads from holding leases to federal coal, except where railroads needed it "for their own purposes" — meaning steam locomotives. — **Steve Marcy**

NOTICE: Beginning with its Jan. 17, 1983, issue, Coal Industry News will raise its circulation base from 10,000 to 13,000. The higher circulation will come without an increase in advertising rates, according to Publisher DeVan L. Shumway. This will result in a $95 cost per thousand for advertisers, he said.

FACTS & FIGURES

	WEEKLY 11/27/82	11/20/82	11/28/81
Production			
Bituminous, recent week	11,548	11,581	16,819
Bituminous, year to date	748,158	738,508	—
Anthracite, recent week	63	86	136
Anthracite, year to date	4,794	5,006	—
Railroad carloadings			
Bituminous, recent week	78,382	106,760	105,940
Bituminous, year to date	5,180,642	5,126,234	—
Anthracite, recent week	45	90	400
Anthracite, year to date	9,572	16,437	—

Production data in thousands of short tons.
Source: U.S. Dept of Energy, Energy Information Administration—Weekly Coal Report.

	WEEKLY 11/27/82	11/20/82	11/28/81
Production by states, bituminous and lignite			
Eastern			
Alabama	373	504	537
Georgia	—	—	—
Illinois	859	1,159	1,123
Indiana	423	570	670
Kentucky:			
Eastern	1,521	2,052	2,501
Western	521	703	866
Total, Ky.	2,042	2,755	3,367
Maryland	56	78	85
Ohio	536	722	780
Pennsylvania	1,084	1,463	1,960
Tennessee	113	152	170
Virginia	549	741	906
West Virginia	1,803	2,432	2,220
Total, Eastern	7,837	10,574	11,718
Western			
Alaska	11	15	17
Arizona	155	209	254
Arkansas	3	4	4
Colorado	268	361	373
Iowa	8	11	15
Kansas	13	1725	
Missouri	70	95	120
Montana	394	532	555
New Mexico	246	333	425
North Dakota	261	352	328
Oklahoma	76	103	115
Texas	465	627	720
Utah	225	304	220
Washington	65	87	90
Wyoming	1,451	1,957	1,840
Total Western	3,711	5,007	5,101
Total, United States	11,548	15,581	16,819

In short tons (000).
Source: U.S. Dept of Energy, Energy Information administration—Weekly Coal Reports.

	MONTHLY 10/82	9/82	10/81
Coal Labor			
All employees			
Coal Mining	225.8	229.3	251.8
Bituminous & Lignite	222.5	225.9	248.3
Production employees			
Coal mining	182.9	186.1	208.2
Bituminous & Lignite	180.0	183.1	205.0
Hours, weekly average			
Coal mining	38.9	38.4	42.8
Bituminous & Lignite	38.9	38.4	42.8
Earnings, hourly average			
Coal mining	12.95	13.03	12.17
Bituminous & Lignite	13.00	13.06	12.20
Earnings, weekly average			
Coal mining	503.76	500.36	520.88
Bituminous & Lignite	505.70	502.27	522.16

Source: U.S. Dept. of Labor, Bureau of Labor Statistics—Employment and Earnings.

	MONTHLY 9/82	8/82	9/81
Bituminous and Lignite			
Consumption			
Electric power utilities	48,332	54,660	48,385
Coal user stocks of coal			
Electric power utilities	164,953	165,162	138,808
Anthracite			
Consumption			
Electric power utilities	67	95	98
Coal user stocks of coal			
Electric power utilities	5,896	5,791	5,428

Note: Data give in thousands of short tons.
Source: U.S. Dept. of Energy Information Administration—Weekly Coal Report.

	9/82	8/82	9/81
Coal Use: Production			
Major district users:			
Electric utilities			
(Mil Kwh.)			
Monthly	96,069	110,122	97,664

Price Indexes	MONTHLY 10/82	9/82	6/82
Bituminous Coal and Lignite	105.0	105.1	103.8
Primary Products	103.9	104.2	103.8
Prepared	104.6	104.7	103.4
Steam electric utilities	105.2	105.6	103.7
North Appalachia	102.3	104.2	101.5
Spot	N.A.	116.4	91.2
Contract	102.5	102.5	102.9
South Appalachia			
Contract	99.3	98.7	98.2
Midwest	109.5	109.3	108.6
Contract	110.8	110.7	109.8
West	109.1	109.0	105.1
Contract	109.1	109.0	105.1
Metallurgical/coke producer	101.9	101.8	102.6
High volatile	100.2	100.1	101.5
North Appalachia	97.2	97.2	99.7
Contract	97.2	97.2	N.A.
South Appalachia			
Contract	101.8	101.7	102.6
West	100.7	100.7	99.4
Low volatile	104.2	103.5	103.4
North Appalachia			
Contract	105.0	104.7	99.0
South Appalachia			
Contract	104.4	103.5	106.1
All other industrial	102.7	100.3	101.3
North Appalachia			
Contract	99.5	N.A.	93.9
Midwest			
Contract	107.2	106.0	103.1
Unprepared (raw)	101.8	102.6	105.2
For preparation at other establishments	N.A.	N.A.	N.A.
For use without preparation	N.A.	N.A.	N.A.
Anthracite	153.8	153.8	153.8
Primary products	152.5	152.5	152.5
Prepared anthracite shipped	154.5	154.5	154.5
Stove	151.1	151.1	151.3
Chestnut	150.9	150.9	150.9
Pea	160.3	160.3	160.3
Buckwheat no. 1	149.0	149.0	149.0
Buckwheat no. 2	160.8	160.8	160.8
Buckwheat no. 4	143.9	143.9	143.9
Buckwheat no. 5	112.0	N.A.	112.0

N.A.—Not Available

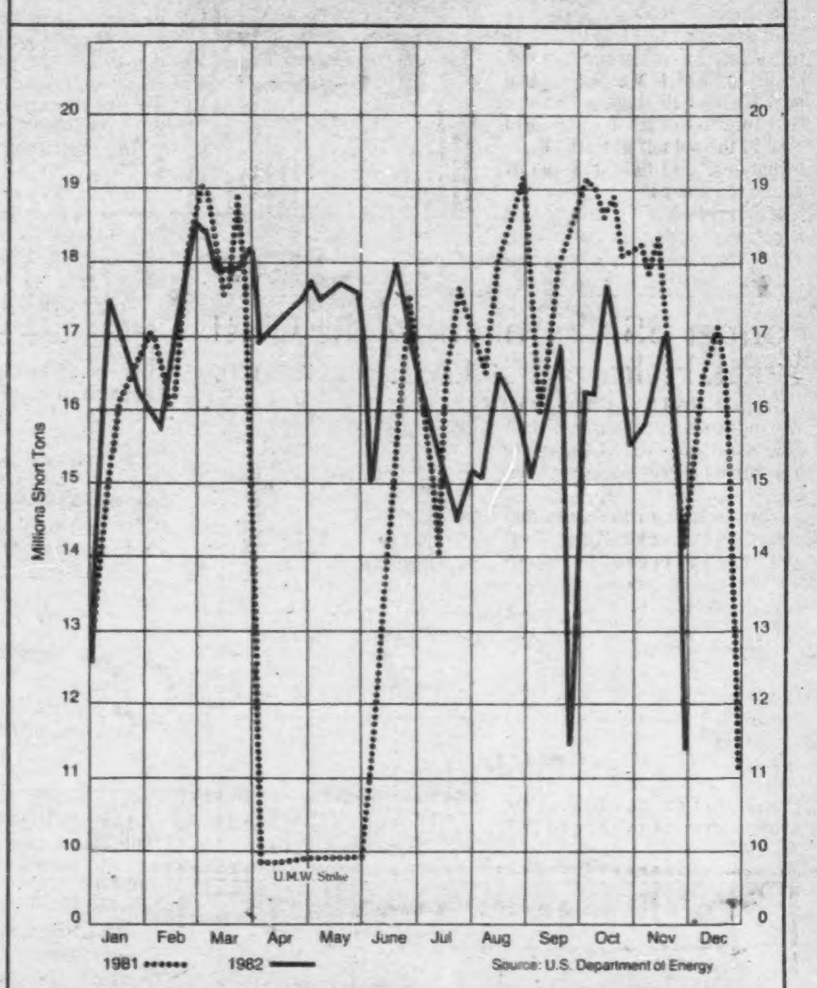
Source: Bureau of Labor Statistics, Dept. of Labor.

Note: The Bureau of Labor Statistics has recalibrated its producer price index figures for bituminous and lignite, as well as reorganizing its pricing categories. The new index is based on a compilation of average prices for December, 1981, and that month appears as 100. The former index used June, 1976 prices as its base.

Domestic

LATEST U.S. PRODUCTION

Estimated Bituminous Coal and Lignite



Source: U.S. Department of Energy

THE THANKSGIVING HOLIDAY cut bituminous coal and lignite production for the week ending Nov. 27 by 25.9 percent to 11.5 million short tons, a 4 million-ton decrease from the previous week. The corresponding week of 1981 was 16.8 million tons. Production for the year has reached 748.1 million short tons, a 1.3 percent increase. Figures are from the Energy Information Administration, Department of Energy.

Exports & Imports

	Quantity in short tons 10/82	9/82	10/81	Dollar Value 10/82	9/82	10/81	Avg. Value per short ton 10/82	9/82	10/81
Bituminous coal, low volatile blends to make coke No. 5213110									
Belgium	282,248	347,744	230,304	17,141,553	16,596,634	13,804,636	60.73	47.73	59.94
Brazil	334,334	266,793	379,313	17,256,075	10,818,696	23,559,244	51.61	40.55	62.11
Canada	937,675	376,596	752,516	62,102,630	25,168,629	45,014,504	66.23	66.83	59.81
France	381,287	377,467	162,800	21,711,632	18,406,512	8,192,296	56.94	48.76	50.38
Germany, F.R. (West)	76,931	205,461	311,685	4,069,526	10,549,589	17,652,879	52.89	51.34	56.63
Italy	776,407	526,782	871,384	36,266,107	24,667,919	49,549,593	50.57	46.82	56.86
Japan	1,533,082	1,119,332	2,583,067	94,259,202	63,108,821	153,058,997	61.48	56.38	59.02
Netherlands	338,593	329,839	374,238	17,141,553	17,817,446	22,303,149	50.62	54.01	59.59
Spain	193,856	221,338	321,531	9,813,314	10,409,558	18,468,471	50.62	47.03	57.43
Sweden	314,657	154,817	179,690	17,064,977	8,015,507	10,290,985	54.23	51.77	57.28
United Kingdom	—	158,090	221,791	—	8,437,668	12,341,066	—	53.37	55.64
Yugoslavia	193,398	66,087	248,559	10,271,387	4,274,059	14,682,901	53.11	64.67	59.07
Total, above	5,362,466	4,150,381	6,646,618	310,097,958	218,273,040	388,918,701	57.82	52.59	58.51
Total, other nations	508,235	828,782	659,693	26,864,739	46,500,347	38,686,829	56.79	56.10	58.64
Total, all nations	5,870,701	4,979,163	7,306,311	336,962,697	264,773,387	427,605,530	57.73	53.17	58.52

	Quantity in short tons 10/82	9/82	10/81	Dollar Value 10/82	9/82	10/81	Avg. Value per short ton 10/82	9/82	10/81
Bituminous coal, others No. 5213120									
Belgium	65,225	120,903	112,425	2,840,204	4,307,909	4,581,885	43.54	35.63	40.75
Canada	1,835,915	1,477,985	1,843,945	93,695,989	74,253,779	86,689,026	51.02	50.23	47.01
China, Taiwan	181,709	314,710	268,884	8,122,406	14,181,857	11,069,106	44.70	45.06	41.16
Denmark	427,459	461,905	407,216	18,807,417	21,283,084	17,419,052	43.99	46.07	42.77
Finland	47,775	32,270	229,136	1,857,184	1,463,777	10,284,888	38.87	45.36	44.88
France	469,267	211,857	184,354	21,663,006	9,480,862	7,831,877	46.16	44.75	42.48
Germany, F.R. (West)	210,620	125,447	145,700	11,094,094	6,442,510	6,449,267	52.67	51.36	44.26
Italy	282,333	360,550	287,729	13,985,579	18,286,671	14,856,718	49.53	50.71	51.63
Japan	271,080	191,139	412,047	13,796,829	9,325,092	21,923,163	50.89	48.78	53.20
Netherlands	184,416	350,588	384,815	8,906,077	18,722,147	18,350,747	48.30	53.40	47.68
Spain	106,522	324,416	226,556	4,032,484	16,348,806	10,720,124	37.85	50.39	47.31
Total, above	4,082,321	3,971,771	4,502,807	196,793,241	184,770,009	210,175,855	48.89	46.52	46.67
Total, other nations	222,334	554,581	296,101	11,178,083	22,099,958	13,330,721	50.27	39.84	45.02
Total, all nations	4,304,655	4,258,352	4,798,908	209,971,324	206,869,967	223,506,576	48.77	48.60	46.57
Lignite No. 5213130									
Total, all nations	939	2,936	2,881	98,585	255,828	378,510	123.05	87.13	141.18
Coal coke for use as fuel No. 5213148									
Total, all nations	56,567	129,279	114,832	3,429,940	5,396,796	7,282,485	60.47	41.74	63.38
Petroleum coke, except calcined No. 5213150									
Canada	47,036	53,961	122,026	1,919,871	2,999,804	7,477,367	40.81	55.59	61.27
Japan	273,423	238,930	209,210	10,271,458	10,118,068	10,963,349	37.56	42.34	52.40
Netherlands	127,507	179,257	151,494	5,575,563	10,006,907	18,350,747	43.72	55.82	121.13
Total, above	447,965	472,148	482,730	17,766,892	23,124,779	210,175,855	39.66	48.97	435.39
Total, other nations	618,963	316,913	280,394	20,149,716	7,995,493	13,330,721	32.55	25.22	47.54
Total, all nations	1,066,928	789,061	763,124	37,916,608	31,120,272	223,506,576	35.53	39.43	292.88
Compositions for fuel No. 5213160									
Total, all nations	495	56,810	1,821	41,090	2,712,843	154,638	83.01	48.78	101.32
Anthracite No. 5213170									
Korea Rep. (South)	77,160	33,069	166,654	2,413,900	1,080,000	6,421,454	31.28	32.65	38.53
Total, all nations	120,862	77,141	291,899	5,835,940	4,327,557	11,764,232	48.28	56.08	40.04

C2350-1 4/11/83

Focus:
1983 OUTLOOK
Starts on Page 6

COAL INDUSTRY NEWS

Coal's National Newspaper

BULK RATE
U.S. POSTAGE
PAID
Permit No. 332
Des Plaines, IL 60018

JANUARY 17, 1983 — 1301 Pennsylvania Ave., N.W., Washington, D.C. 20004 — Volume 7, Number 1 — $1 a Copy; $24 a Year

NEWS ROUNDUP

An international syndicate of 55 **banks from six nations are lending $950 million Canadian to Canada's Quintette Coal Ltd.** for a British Columbia project to produce 5 million metric tons of coking coal annually beginning in 1984. Shipments will be to Japan for 15 years. Canada's Denison Mines Ltd. will own 50 percent of the project with the remaining 50 percent divided among the French state coal company, Charbonnages de France, and a nine-company Japanese consortium that includes Nippon Steel.

* * *

The Port of Charleston's **new 2.5-million-ton coal terminal is complete** and ready to load 2,500 tons per hour into 50,000 deadweight ton ships. The $30 million Ship Yard River Terminal has ground storage for 300,000 tons and sits on 52 acres. It has a single ship berth at the confluence of the Cooper and Shipyard rivers.

* * *

Striving to earn hard currency and relieve a troubled economy, Poland's coal exports doubled to 28.5 million tons in 1982. The official news agency said shipments to hard-currency countries rose by 7.6 million tons. Eastern bloc countries received 5.8 million tons. A total of 189 million tons was mined during the year, a 25-million-ton increase from 1981.

* * *

Economics Laboratory, Inc. will close its chemical subsidiary June 30. The facility makes products used in the prepration, transportation and burning of coal. The decision to close the Apollo Technologies unit at Whippany, N.J. was made because "the market for flue gas preparations and other similar products hasn't been strong," says John

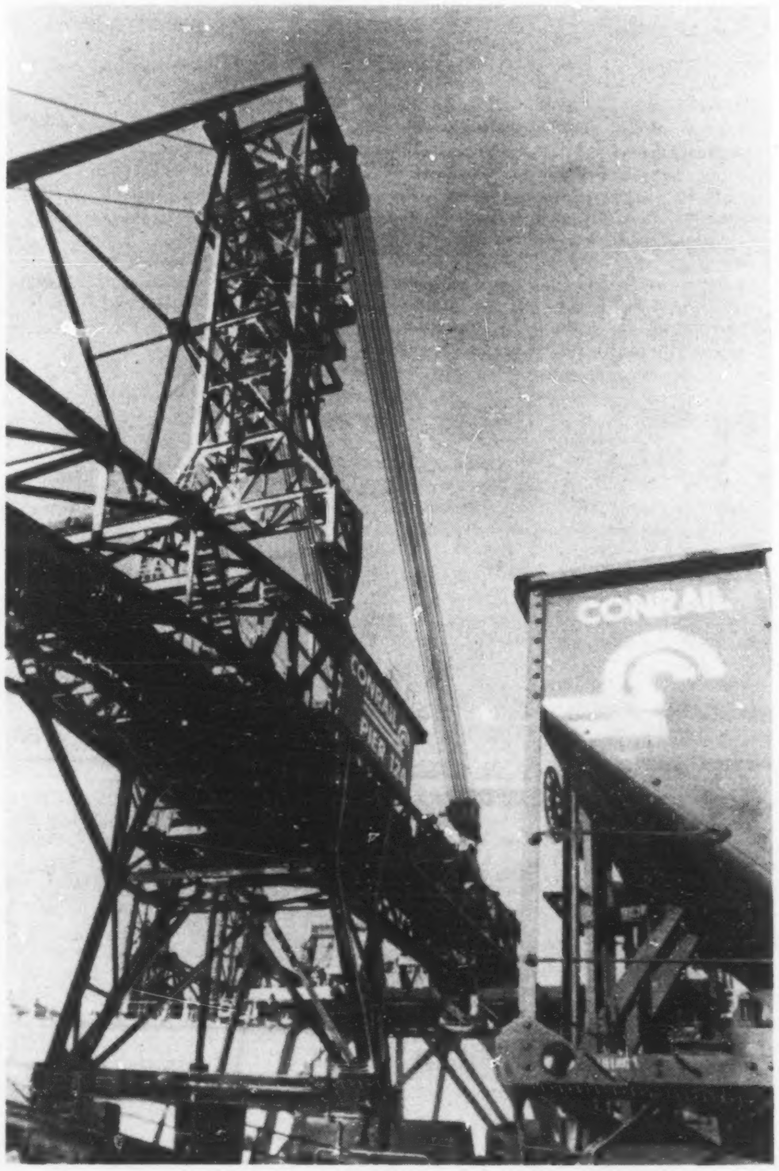
(Continued on page 2)

INSIDE

NATIONAL MINE SERVICE Co. of Pittsburgh, faced with two acquisition-minded suitors, appears headed into Anderson-Strathclyde of Scotland. **Story on page 2.**

A VIRGINIA FARMER took a hard look at an easement request from an electric utility — and found a provision for a slurry line was included. That and other **Reports from our Correspondents on page 3.**

TECHNOLOGY AND CONVERSIONS appear the best possibilities for lifting U.S. coal out of the doldrums this coming year. Gene Smith explains why, and assesses other aspects of the 1983 outlook in a **Focus Feature on page 6.**



Modernized Pier 124 Loads Its Largest Ship

THE NEWLY MODERNIZED Pier 124 in South Philadelphia loads the Tamesis, the largest ship ever handled by the pier. Loaded coal cars at the $41 million facility are pushed up a ramp where they are turned upside down. This releases the coal into the shiploader conveyor system. Capacity will be 10 million tons yearly when modernization is complete in 1983.

Question of Coal At Heart of B.N. Move for El Paso

By Nick Snow

COAL RESERVES and transportation played a sufficiently big part in deciding whether Burlington Northern Inc. would successfully acquire control of El Paso Co. that it required a landmark federal agreement to diffuse antitrust challenges.

El Paso initially opposed the offer on antitrust grounds. It was soon joined by Texas Atty. Gen. and Governor-elect Mark White, who sued in federal court charging that a B.N. acquisition of El Paso would put the rail carrier, already a dominant figure in coal transportation to the Lone Star State, in possibly too strong a position. The state had already sued the rail carrier over coal transport rates it charges the City of San Antonio.

It was only after Burlington Northern assured the U.S. Justice Department's antitrust division that it would sell any El Paso coal holdings acquired in the takeover that federal antitrust officials gave a preliminary nod of approval to the transaction. "The agreement, while an unusual solution to the potential problems, is particularly appropriate in the circumstances presented here... where easily identifiable assets capable of simple divestiture are involved," Justice said in announcing the agreement.

Shortly thereafter, the two companies agreed to merge and dropped lawsuits filed during the battle. The Texas state action was not immediately withdrawn; however, in the wake of last week's announced merger, attorneys from both companies and the state were conferring to determine that state antitrust concerns would be resolved.

Focus on Reserves

Federal antitrust officials apparently zeroed in on Northern Plains reserves in their considerations. Weeks before the offer was made, Interior Secretary James Watt had announced that his agency would not lease any more tracts to energy companies that were railroad subsidiaries. It was the issue of transportation, however, that figured prominently in the Texas lawsuit. Foster Corwit, an analyst for Dean Witter Reynolds who follows El Paso, said transportation may also have attracted Burlington Northern in the first place: "In-

(Continued on page 4)

Coal Issues Are Likely To Be Clouded in Congress

By Steve Marcy

WASHINGTON — The 98th Congress is poised for the same stalemate and deadlock that afflicted the 97th.

Congressional preoccupation with budget deficits, Social Security insolvency and spending for defense and social programs will crowd out the coal industry's agenda of slurry pipelines, Clean Air Act reform, port improvements, natural gas deregulation, increased energy leasing and railroad rate reform. At least that's the worry of those espousing the industry's cause on Capitol Hill.

Industry lobbyists fear that a stronger Democratic hold on the House, coupled with the message to toe the party line as expressed by booting former Texas Democrat Phil Gramm off the Budget Committee, could lead to severe congressional confrontations with the White House. The situation could deteriorate into two years of government by veto.

The only chance is to strike early on the industry agenda before the combatants become too entrenched.

Push For Slurry

That's exactly what Rep. Morris Udall, D-Ariz., and Sen. J. Bennnet Johnston, D-La., have promised the industry they will do for legislation granting eminent domain for coal slurry pipeline rights of way.

Despite their inability for the fourth straight year to bring the coal slurry issue to a House floor vote, coal lobbyists are confident that the strength of the issue — shown by approval of one Senate and three House committees in the last Congress — will ensure its adoption. But it must clear the parliamentary road blocks thrown in its way by the railroads in the last Congress.

"They're (railroads) fighting a delaying action," says one lobbyist, convinced he sees the final throes of an opponent whose defeat is inevitable. Congress has not liked the greed with which the railroads have increased their rates under the Staggers Act. Rail industry behavior will force Congress to aid establishment of coal pieplines to give railroads competition.

The industry might have to fight a holding action of its own on reforming the Clean Air Act. Expectations of loosening its standards and procedures two years ago proved to have underestimated the strength of the environmental movmement.

(Continued on page 4)

HOW THE NCA PROJECTS 1983 SUPPLY AND DEMAND

(millions of tons)

Category	1981 Final	1982 Prelim.	1983 Forecast	Percent Change 1983/82
Domestic Consumption				
Electric Utilities	596	590	615	+4.2
Coking Coal	61	41	50	+22.0
General Industry and Retail	69	72	75	+4.2
Total Domestic Markets	726	703	740	+5.3
Exports To				
Canada: Steam	12	12	11	−8.3
Metallurgical	6	6	6	—
Total	18	18	17	+5.6
Overseas: Steam	33	26	25	−3.8
Metallurgical	59	62	55	−11.3
Total	92	88	80	−9.1
Total Exports	110	106	97	−8.5
Total Consumption	**836**	**809**	**837**	**+3.5**
Consumer Stockpiles				
Net Change	−20	+12	0	—
Total Demand	**816**	**821**	**837**	**+1.9**
Production[1]				
East	547	550	557	+1.3
West	268	270	280	+3.7
Total U.S.	815	820	837	+2.1
Imports	1	1	0	—
Total Supply	**816**	**821**	**837**	**+1.9**
Coke Imports	1	1	*	—

*Less than 500,000 tons

[1] Marketed production — does not include 1982 production held in producer or distributor stockpiles.

Source: National Coal Association

National Coal Association Sees Slow Start For 1983 Before Shallow Dive is Arrested

WASHINGTON — Large stockpiles and continuing recession in the first half of 1983 will prompt coal users to work off inventories rather than take new deliveries, according to the National Coal Association's annual forecast.

"Coal production began to drop in the last half of 1982 and is expected to continue to be dampened in 1983 as these stockpiles are reduced," the NCA said.

But the economy should begin to recover and coal stockpiles dwindle enough for the business to pull out of its shallow dive and push production 17 million tons above the 820 million tons produced in 1982.

The NCA said in an earlier statement that the economy was "apparently" headed into a period of gradual, sustained growth that indicates the industry's "long-term growth remains bright." NCA quoted a Bankers Trust Co. analysis stating that "fuel-switching will continue to play a major role" as "coal fired and nuclear power plants continue to make inroads in the industrial and electric utility markets."

Differs with EIA

The 837 million tons the NCA expects to be produced in 1983 should match total demand, including exports. That fails to square with the forecasts of the Department of Energy's Energy Information Administration, which is setting it at 850 million tons.

John Todd, director of the short-term energy division for the Energy Information Administration, said the difference lies in varying assumptions about electricity use, with EIA predicting a larger increase from a rebounding economy. EIA's underlying assumptions, which are prepared for it by Data Resources Inc., are for 2.9 percent growth in gross national product for 1983.

Basing coal use and other energy projects on growth in the gross national product remains a valid predictor over the long-term, but it can be deceiving in the short term. That's because "manufacturing activity and GNP must grow together in some way over long sweeps of history," Todd says.

"This last year, we had GNP going down by 2 percent, disposable income going up by 2 percent and manufacturing activity going down by 8 percent," a combination which makes energy use predictions highly risky, Todd says.

With industrial activity performing at levels not seen since the Depression, "what you find is that (demand for) industrial natural gas, industrial fuels — those kinds of things — was just killed," Todd says, explaining why coal use was even lower than the already bad economic conditions suggested.

Predict Upsurge

For 1983, EIA is still subscribing to Data Resources' economic models. They predict an upsurge in electricity and other energy use brought on by a strengthening economy. Those models predict a 5 percent increase in coal-fired electrical generation for 1983, working out to a 4.6 percent increase in coal used by electric utilities this year compared to 1982.

NCA's 1983 utility consumption forecast is 615 million tons, 25 million more than 1982's 590 million tons. It bases the minor upturn on an expected 3 percent gain in electricity sales for 1983, following a 2 percent generation decrease during 1982.

The NCA production forecast by region shows the West continuing to creep into the East's market share during 1983. The East should produce 557 million tons compared to 280 million tons in the West. The East-West figures for 1982 were 550 million tons versus 270 million tons.

Total exports for 1983 should reach 97 million tons in 1983, 17 million of them going to Canada. The coal group expects the final 1982 figure to reach 106 million tons, 2 million tons more than it had forecast last fall.

The expected boom in steam coal exports overseas has been slow in coming. The NCA expects 1983 overseas shipments of 55 million tons of metallurgical coal compared to 25 million tons of steam coal, although some of the metallurgical coal might flow into steam uses. However, 11 million of the 17 million tons going to Canada will be steam coal.

Industrial and retail sector coal use should remain constant in 1983 after a 2.1 percent drop in 1982. — **Steve Marcy**

Despite a Number of Bright Spots in U.S. Coal

Most Regard a Significant Rebound in 1983 as Unlikely

(Continued from page 6)

of its members had converted to coal 19 generating units with name plate capacity of 3,885 megawatts. Nine other utilities were in the process of converting a total of 26 units with 5,890 megawatts capacity. Twelve more were said "likely to convert" 35 generating units with 4,089 megawatts capacity.

A check of the EEI list by *Coal Industry News* revealed that all 18 units in the first group have converted to coal, although the total capacity was less due to the conversion process.

While utility conversions proceeded, little has happened on the industrial side. A new generation of fluidized bed combustion systems could change this, however.

Currently in the shakedown test period at a large Amarillo, Texas, meat packing plant, one new system, the Wormser Grate, is designed to generate 70,000 pounds of process steam an hour along with 1.25 megawatts of electricity. "It's looking good after the normal startup problems. It's been running pretty good in the last couple of weeks and we expect to have it up to full load by the end of the month," said Walt Beckwith, senior project engineer for IBP Inc. which owns the packing plant.

Other Projects

Another technological push is TRW's new coal combustor, said to be in the last development stage of a coal-burning retrofit for oil and gas-fired boilers, furnaces and process heaters.

Elsewhere, Girts Krumins, president of Colorado-Ute Electric Association, said the Electric Power Research Institute has invited it to submit preliminary designs for a demonstration power plant that would aim to remove pollutants from stack gases using low-grade fuels including coal, wood, solid waste and other refuse.

The New Mexico Institute of Mining and Technology reports receipt of a patent for a modern chimney sweep designed to remove tiny particles from coal-fired generating plants through application of atmospheric physics.

And Georgia Institute of Technology is laying claim to an electrochemical membrane cell that "may remove sulfur from the coal combustion process with equipment one-tenth as expensive as conventional scrubbers.

But while the advent of new technologies hints at better usage, most coal companies, taking a hard look at the economic facts of life, see little reason for optimism this year.

Points to Recession

"In light of the current economic recession and lowered demand for electricity, we believe there is little chance for substantially increased production of coal during 1983, particularly during the first 6 months," observes Consolidation Coal Co., the nation's number two producer. "The Consol work force is working at about 15 percent below 1981 levels. Employment is not expected to increase substantially during 1983 unless a turnaround occurs in the economy which could bring improvements in production and work force numbers possibly in the second half of the year."

A spokesman for the top producer, Peabody Coal Co., said this "looks like a year where the coal industry will be tied very closely to the economy. We see the early part as rather weak. The latter part will depend on the general economy. We don't see anything very dramatic in the form of a turnaround. This could change with an atypically cold winter where utilities have to draw down more coal from inventory, but this hasn't happened thus far."

Pittston, the nation's seventh largest producer in 1981, sees no reason to change its bearish outlook expressed last October. A company spokesman said, "We expect this will be a very difficult year for coal, especially difficult for exports. (Pittston is the largest coal exporter.) In our discussions with customers, we do not see a real turning-around this year. Maybe it could come, if there should be a substantial turnaround early, but we see no signs of that."

Valley Industries, Inc., which operates a medium-size mine at Monroeville, W.Va., is as optimistic as Merrill Lynch's Bradford in its outlook for the year. Patrick J. Gilligan, president, said his S.S. "Joe" Burford mine will concentrate its marketing efforts in steam coal for domestic utilities. noting that coal conversion efforts in the Northeast and Middle Atlantic states are expected to provide the only new markets.

Wyoming Hit, Too

Even the booming Wyoming region faces coal field unemployment. Richard W. Jones, staff coal geologist for the Wyoming Geological Survey, pointed out that layoffs in the state's southern and western sections had brought the total of out-of-work coal miners to about 700.

Equipment makers and suppliers to the industry are really hurting and most do not see things getting any better this year. Those companies that were able to maintain some semblance of order in their sales generally reported the sales were for repairs or replacement parts.

A spokesman for Bucyrus-Erie Co. said that "nobody here in South Milwaukee is all that bullish. We'll come out with our results for 1982 around the 25th or 26th of the month at which time we'll probably have something to say about 1983. But we're not out in the streets celebrating."

Marion Power Shovel, a division of Dresser Industries Inc., has much the same attitude: "We're going along with the rest of the industry as viewing 1983 as a difficult year for coal mining. There should be a steady improvement as the year progresses, but we don't see it getting a lot better early on based on our contracts with customers," a spokesman said.

A more positive view is offered by C.A. "Tink" Campbell Jr., president and chief executive officer of Good man Equipment Corp.: "These are very interesting markets because we are in very interesting times. We have great confidence in the future of U.S. mining and mining worldwide because of two reasons.

"First, the mined product is critical and will continue to be. Second, mining companies need productivity-oriented equipment.

Thus, we are optimistic although the markets probably won't turn upward until 1984. That means that the markets will be about the same as 1982, and that's how we've been planning at Goodman for 1983," he told *Coal Industry News*.

SHAFT ICING...
Problem?

- Eliminates Downtime
- Proven System
- Low Cost
- Free Survey
- Permanent Solution

Many mines have already eliminated their icing problem through the SCB™ Process ... Call today.

J. J. GRACIANO CORP.
Since 1916
Pittsburgh, PA
412-242-5700

FACTS & FIGURES

	WEEKLY		
	1/1/83	12/25/82	1/2/82
Production			
Bituminous, recent week	9,133	11,927	15,258
Bituminous, year to date	**819,775**	**818,352**	—
Anthracite, recent week	73	65	56
Anthracite, year to date	**4,225**	**5,423**	—
Railroad carloadings			
Bituminous, recent week	61,071	81,190	93,258
Bituminous, year to date	**5,521,947**	**5,632,698**	—
Anthracite, recent week	33	36	226
Anthracite, year to date	**9,766**	**17,612**	—

Production data in thousands of short tons.
Source: U.S. Dept of Energy, Energy Information Administration—Weekly Coal Report.

	WEEKLY		
	1/1/83	12/25/82	1/2/82
Production by states, bituminous and lignite			
Eastern			
Alabama	281	385	420
Georgia	—	—	—
Illinois	647	887	1,218
Indiana	318	436	475
Kentucky:			
Eastern	1,429	1,571	2,105
Western	393	538	750
Total, Ky.	**1,822**	**2,109**	**2,855**
Maryland	42	58	60
Ohio	403	553	615
Pennsylvania	817	1,120	2,075
Tennessee	85	116	271
Virginia	414	567	875
West Virginia	1,508	1,862	1,980
Total, Eastern	**6,337**	**8,093**	**10,844**
Western			
Alaska	8	12	6
Arizona	117	160	135
Arkansas	2	3	6
Colorado	202	276	410
Iowa	6	13	16
Kansas	10	13	16
Missouri	53	73	85
Montana	297	407	675
New Mexico	186	255	270
North Dakota	196	269	250
Oklahoma	57	79	52
Texas	350	480	586
Utah	170	233	160
Washington	49	67	98
Wyoming	1,093	1,498	1,650
Total Western	**2,796**	**3,834**	**4,414**
Total, United States	**9,133**	**11,927**	**15,258**

Short tons (000).
Source: U.S. Dept of Energy, Energy Information administration—Weekly Coal Reports.

	MONTHLY		
	11/82	10/82	11/81
Coal Labor			
All employees			
Coal Mining	222.0	224.3	252.2
Bituminous & Lignite	218.7	221.0	248.7
Production employees			
Coal mining	179.9	181.9	209.3
Bituminous & Lignite	177.0	179.0	206.2
Hours, weekly average			
Coal mining	38.3	39.1	42.7
Bituminous & Lignite	38.2	39.1	42.7
Earnings, hourly average			
Coal mining	13.09	12.93	12.38
Bituminous & Lignite	13.13	12.97	12.41
Earnings, weekly average			
Coal mining	501.35	505.56	528.63
Bituminous & Lignite	501.57	507.13	529.91

Source: U.S. Dept. of Labor, Bureau of Labor Statistics—Employment and Earnings.

	MONTHLY		
	10/82	9/82	10/81
Bituminous and Lignite Consumption			
Electric power utilities	46,248	48,332	54,660
Coal user stocks of coal			
Electric power utilities	170,181	164,953	165,182
Anthracite Consumption			
Electric power utilities	81	67	95
Coal user stocks of coal			
Electric power utilities	5,992	5,896	5,791

Note: Data give in thousands of short tons.
Source: U.S. Dept. of Energy Information Administration—Weekly Coal Report.

	10/82	9/82	10/81
Coal User Production			
Major district users:			
Electric utilities (Mil Kwh.)			
Monthly	98,779	96,869	110,122

	MONTHLY		
Price Indexes	11/82	10/82	7/82
Bituminous Coal and Lignite	105.1	105.0	104.5
Primary Products	103.4	103.9	103.9
Prepared	104.7	104.6	104.1
Steam electric utilities	105.7	105.2	104.7
North Appalachia	102.9	102.3	104.0
Spot	N.A.	N.A.	99.6
Contract	102.6	102.5	104.6
South Appalachia			
Contract	99.4	99.3	98.6
Midwest	110.2	109.5	109.3
Contract	111.6	110.8	110.6
West	109.4	109.1	105.1
Contract	109.4	109.1	105.1
Metallurgical/coke producer	101.6	101.9	102.2
High volatile	101.6	101.9	102.1
North Appalachia	97.2	97.2	99.7
Contract	N.A.	97.2	N.A.
South Appalachia			
Contract	101.5	101.8	102.0
West	100.7	100.7	100.7
Low volatile	103.4	104.2	102.4
North Appalachia			
Contract	103.0	105.7	97.6
South Appalachia			
Contract	104.2	104.4	105.2
All other industrial	100.8	102.7	103.3
North Appalachia			
Contract	91.2	99.5	95.9
Midwest			
Contract	102.8	102.6	106.6
Unprepared (raw)	102.4	102.2	106.9
For preparation at other establishments	N.A.	N.A.	N.A.
For use without preparation	N.A.	N.A.	N.A.
Anthracite	154.0	153.8	153.8
Primary products	152.6	152.5	152.5
Prepared anthracite shipped	154.7	154.5	154.5
Stove	151.7	151.1	151.3
Chestnut	151.5	150.9	150.9
Pea	160.3	160.3	160.3
Buckwheat no. 1	149.0	149.0	149.0
Buckwheat no. 2	160.8	160.8	160.8
Buckwheat no. 4	143.9	143.9	143.9
Buckwheat no. 5	112.0	112.0	112.0

N.A.—Not Available

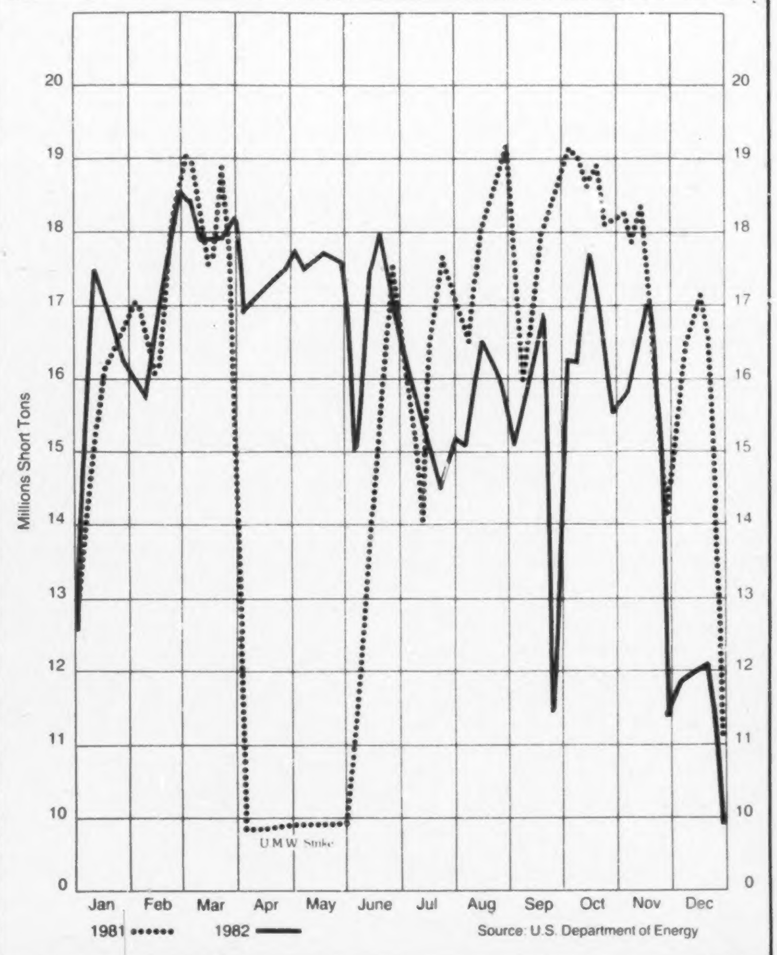
Source: Bureau of Labor Statistics, Dept. of Labor.

Note: The Bureau of Labor Statistics has recalibrated its producer price index figures for bituminous and lignite, as well as reorganizing its pricing categories. The new index is based on a compilation of average prices for December, 1981, and that month appears as 100. The former index used June, 1976 prices as its base.

Domestic

LATEST U.S. PRODUCTION

Estimated Bituminous Coal and Lignite



Source: U.S. Department of Energy

BITUMINOUS COAL and lignite production totaled 9.133 million short tons in the week ending Jan. 1, a nearly 24 percent decline from the 11.927 million tons produced the week ending Dec. 25. Production from the corresponding week a year ago was 12.756 million tons, 27.4 percent more than the week ending this Jan. 1, the Energy Information Administration reported. Preliminary totals for 1982 show 824.0 million tons being produced, including anthracite, compared to 1981's 824.8 million tons.

Exports & Imports

	Quantity in short tons			Dollar Value			Avg. Value per short ton		
	11/82	10/82	11/81	11/82	10/82	11/81	11/82	10/82	11/81
Bituminous coal, low volatile blends to make coke No. 5213110									
Belgium	192,408	282,248	411,089	12,436,106	17,141,553	18,522,793	64.63	60.73	45.05
Brazil	260,833	334,334	311,902	14,465,188	17,256,075	12,770,505	55.45	51.61	40.94
Canada	387,906	937,675	615,744	26,399,452	62,102,630	37,571,426	68.05	66.23	61.01
France	218,893	381,287	751,882	11,175,562	21,711,632	37,940,663	51.05	56.94	50.46
Germany, F.R. (West)	—	76,931	197,256	—	4,069,528	9,881,736	—	52.89	50.35
Italy	543,308	776,407	966,490	26,001,417	39,266,107	46,432,039	47.85	50.57	48.04
Japan	1,315,219	1,533,082	2,770,512	78,643,079	94,259,202	163,409,807	59.79	61.48	58.98
Netherlands	147,170	338,082	259,010	9,257,723	17,141,553	16,061,209	62.90	50.62	62.00
Spain	223,531	193,856	338,241	10,388,575	9,813,314	15,033,023	46.47	50.62	44.44
Sweden	79,381	314,657	153,121	3,704,675	17,064,977	8,796,082	46.66	54.23	57.44
United Kingdom	—	—	301,823	—	—	17,695,821	—	—	58.62
Yugoslavia	76,898	193,396	369,965	5,00,060	10,271,387	22,093,450	65.02	53.11	59.71
Total, above	3,445,547	5,362,466	7,447,035	197,471,837	310,097,958	401,208,554	57.31	57.82	54.54
Total, other nations	524,127	508,235	682,493	31,205,810	28,864,739	40,279,774	59.53	56.79	59.01
Total, all nations	**3,969,674**	**5,870,701**	**8,129,528**	**228,677,647**	**338,962,697**	**446,488,328**	**57.60**	**57.73**	**54.92**
Bituminous coal, others No. 5213120									
Belgium	131,159	65,225	157,700	4,959,468	2,840,204	6,419,772	37.81	43.54	40.70
Canada	1,609,983	1,835,915	1,437,170	80,250,571	93,685,989	67,605,688	49.84	51.02	47.04
China, Taiwan	123,825	181,709	168,429	5,301,886	8,122,406	6,547,265	42.81	44.70	38.87
Denmark	189,870	427,459	307,912	10,452,508	18,807,417	12,932,792	55.05	43.99	42.00
Finland	185,207	47,775	203,132	7,658,434	1,857,184	9,516,665	41.29	38.87	46.85
France	520,446	469,267	260,576	22,754,991	21,663,008	12,017,736	43.72	46.16	46.11
Germany, F.R. (West)	97,340	210,620	145,896	6,120,068	11,094,094	7,304,804	62.87	52.67	50.06
Italy	424,098	282,333	365,466	22,191,398	13,985,579	18,267,101	52.32	49.53	49.98
Japan	143,625	271,080	371,113	7,115,678	13,796,829	18,367,620	49.54	50.89	49.49
Netherlands	175,804	184,416	148,600	9,515,151	8,908,077	7,061,559	54.12	48.30	47.52
Spain	177,370	106,522	358,479	7,433,664	4,032,484	16,192,632	41.91	37.85	45.16
Total, above	3,778,727	4,082,321	3,924,473	183,753,817	198,793,241	182,223,834	48.62	48.69	46.43
Total, other nations	251,052	222,334	304,524	10,948,814	11,178,083	15,423,302	43.61	50.27	50.64
Total, all nations	**4,029,799**	**4,304,655**	**4,228,997**	**194,702,631**	**209,971,324**	**197,647,136**	**48.31**	**48.77**	**46.73**
Lignite No. 5213130									
Total, all nations	**362**	**809**	**2,061**	**63,153**	**99,555**	**383,347**	**174.45**	**123.05**	**176.29**
Coal coke for use as fuel No. 5213148									
Total, all nations	**59,774**	**56,567**	**54,194**	**3,638,655**	**3,420,940**	**5,355,890**	**60.87**	**60.47**	**98.82**
Petroleum coke, except calcined No. 5213150									
Canada	128,802	47,035	28,732	4,712,130	1,919,871	1,154,413	36.58	40.81	40.17
Japan	417,427	273,423	163,970	16,696,182	10,271,456	8,295,103	39.99	37.56	50.58
Netherlands	113,735	127,507	66,556	2,569,874	5,575,563	3,531,310	22.59	43.72	53.05
Total, above	659,964	447,965	259,258	23,978,186	17,766,892	12,980,826	36.33	39.66	50.06
Total, other nations	497,313	618,963	106,528	13,808,271	20,149,716	6,259,352	27.76	32.55	58.75
Total, all nations	**1,157,277**	**1,066,928**	**365,786**	**37,786,457**	**37,916,608**	**19,240,178**	**32.65**	**35.53**	**52.59**
Compositions for fuel No. 5213160									
Total, all nations	**32,681**	**495**	**3,004**	**1,037,637**	**41,090**	**161,163**	**31.75**	**83.01**	**53.64**
Anthracite No. 5213170									
Korea Rep. (South)	34,478	77,160	114,380	1,220,600	2,413,900	7,024,963	32.56	31.28	61.41
Total, all nations	**106,603**	**120,862**	**171,392**	**6,054,223**	**5,835,940**	**10,877,393**	**56.79**	**48.28**	**63.46**

Rail Units Merge as Seaboard System

JACKSONVILLE, Fla. — The Seaboard Coast Line and Louisville and Nashville Railroads merged, becoming Seaboard System Railroad Inc.

Richard D. Sanborn, president and chief executive officer, said the merger and new name will improve coordination of the Seaboard 13-state rail network, which also includes the Clinchfield and the West Point Route, as part of the CSX Corp.

Family Lines Rail System, the name previously used to describe the rail system, was discontinued.

Sanborn said the combined rail system will function as a consolidated unit, offering shippers the conveniences of single-rail service between such points as Chicago and Florida with a single routing designation — SBD.

Along with the merger and redesignation, Sanborn said, came four key appointments in Seaboard System's operating department in Jacksonville, effective Jan. 1:

- **W. Eugene Gilstrap, general manager of staff in the operating department, became chief transportation officer, succeeding Charles F. Kelly who retired after more than 44 years of service.**
- **C. Eugene Freeman, general superintendent of terminals, became general manager of transportation, succeeding M.L. Wadsworth who also retired after more than 44 years with the company.**
- **Garland F. Chick, superintendent in Jacksonville, succeeded Freeman as general manager of transportation.**
- **And Wilbur G. Merit, Atlanta superintendent, succeeded Chick in that role in Jacksonville.**

In addition, two other division chiefs were appointed: Henry J. Pigge as Savannah, Ga., superintendent, succeeding William A. Satterwhite who retired after 37 years; and John H. Eaton as Louisville, Ky., superintendent, succeeding C. Dewey Mosley who previously became Mobile, Ala., superintendent.

Union, Missouri Pacific Execs Reassigned

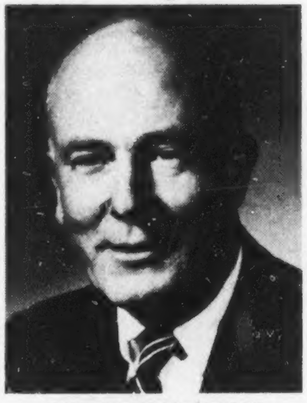
OMAHA — John C. Kenefick, president of Union Pacific Railroad since 1971, was elected chairman and chief executive officer of both Union Pacific and Missouri Pacific railroads.

R.G. Flannery, who has been Missouri Pacific's president since June 1982 and, prior to that, president of Western Pacific Railroad, became president and chief operating officer of U.P. and M.P.

The moves, announced by Union Pacific Corp. Chairman James H. Evans, were part of the first organizational steps to implement the recently approved merger of the Union, Missouri and Western Pacific lines.

Three other officers were elected to serve U.P. and M.P.: Walter P. Barnett, previously vice president of traffic for U.P., became executive vice president for marketing and sales. George A. Craig, formerly senior vice president for marketing at M.P., was named senior vice president for marketing and sales. And C. Barry Schaefer, U.P.'s vice president for law, was appointed executive vice president for law and finance.

Kenefick said Union Pacific's headquarters will remain in Omaha and Missouri Pacific's in St. Louis. He and Flannery will have offices in both cities. Western Pacific will remain a U.P. subsidiary.



JOHN C. KENEFICK
...becomes chairman

Most Coal-Related Issues Follow Trend Up

NEW YORK — The overwhelming majority of stocks in *Coal Industry News's* list of coal-related stocks was on the up side of the week ending Jan. 7 as these issues took part in a general market buoyancy.

North American Coal posted a gain of 1-1/8 on the week. This was traced to market reports of improved sales vs. the year-ago period. However, Westmoreland Coal, which also was tabbed as having an improved situation, slipped 1/4.

Bethlehem Steel dipped 1/4 as the company, the nation's number two steel producer, announced plans for pulling out of the bulk of its steel making operations at Lackawanna, N.Y., and Johnstown, Pa.

Among the equipment makers, National Mine Service fell 1-1/8 after it was announced that the board of directors had accepted an offer from Anderson Strathclyde, a Scottish mining equipment maker, for up to 51 percent of the American company's shares at $12.50 a share.

Railroad stocks all ran higher. The Dow Jones Transportation Index, generally considered to be a bellwether for the entire market, rose to a record of more than 469 in recent trading.

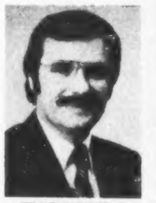
Burlington Northern was particularly strong based on its now successful bid to take over 51 percent of El Paso and thus strengthen its position in natural resources, particularly natural gas and oil.

company	sales 100s	wks. high	wks. low	last	net chg
Coal Companies					
Amax	38409	25⅝	21½	24⅝	+2⅞
AEPw/a	12092	66⅝	60¾	65¼	+1⅝
AshlOil/b	2328	30⅞	28⅛	30½	+¼
BethStl/c	12573	23½	19½	38¾	-¼
Boeing/d	14845	35½	33¼	35	+1⅛
DuPont/e	24557	41⅜	35⅛	40½	+4⅝
EastGF	3288	w24½	21⅛	23¾	+2⅛
ElPaso	12152	24	22	23	+¼
EqtLf/f	1472	15	14⅞	14⅞	-¼
Exxon/g	48154	31⅜	28⅞	30⅝	+⅝
GenEl/h	15508	98⅝	91⅛	96⅝	+1¾
Grace/i	5870	41	38¼	40⅝	+2¼
GulfOil/u	11970	31⅜	29⅝	30⅞	+1⅛
Hanna/j	2173	22	18½	21½	+3¼
KerrMc	11239	31¾	27¼	30	+1¼
MAPCO	5222	25⅞	23	25	+1½
Mobil	20470	27¼	24¼	26⅛	+1
MonPw/k	998	27⅛	25¾	27	+1⅛
Newmt/l	5715	w59	53¼	58½	+3½
NACoal	175	29	24¾	28⅞	+4
OcciPet/m	13523	21⅛	19⅝	20⅞	+1⅛
PacPw/n	4775	21⅞	20⅞	21½	+⅜
PhilPet	23542	35¾	32⅝	34	+1⅜
Pittstn	14487	17⅛	13⅝	16¾	+3
ShellO	5807	42	35⅝	41⅜	+4⅝
StOilCl/o	24053	45⅞	40⅛	44¾	+5
StdOOh/p	22923	41¼	35	40⅛	+4½
SunCo	4102	34⅛	30⅞	33½	+2⅛
Texaco	27501	31⅞	30½	31⅛	...
TexUtil	19396	23⅝	22½	22¾	-¾
USSteel	15111	22⅝	20⅝	22	+1
UtaPL	2071	21⅜	20¾	21⅛	+⅛
WalLim	4543	37½	35⅝	36	-¾
West	480	19⅞	19⅛	19⅛	-¼
William/q	9324	19⅝	16½	18⅝	+1⅝
Suppliers					
ACF	2346	34½	32	34	+1¼
AllisCh	4473	12½	9½	12½	+2¾
BucyEr	8688	16⅛	14⅝	16⅛	+1⅜
CatrpT	20366	48⅝	40	46¾	+6⅝
Chryslr	39322	18	15½	16½	-1¼
CmbEn	3530	36⅝	32⅝	36	+3⅛
DowCh	27746	w29½	25	29	+3⅛
Dravo	1663	13¼	12⅛	12½	+⅛
Dresr/r	25404	22	18⅝	21⅛	+1⅜
FMC	3086	34½	31½	33⅝	+1⅛
Firest	14472	w20¼	18¼	20	+1½
Fluor/s	12138	24¼	19⅞	23½	+4
FordM	21052	40½	37⅝	39¾	+⅞
GTE/t	14039	42	40¼	41	-½
Gillot	28091	63¾	60⅝	63	+⅝
GTire	3173	w34½	29⅝	33⅛	+3¾
Gdrich	6018	w36	31⅝	35½	+3⅜
Goodyr	11010	36	33⅞	35¾	+¾
IngerR	3895	43	38¾	41¾	+2¼
IntHarv	15460	4¾	4¼	4½	+¼
JoyMfg	3119	27¼	22⅞	26⅝	+3
Kenmt	934	29¼	27⅝	29⅛	+⅜
McDnD	3400	42¼	40¼	41¼	-¾
NMineS	1434	12⅝	11¼	11⅝	-1⅛
Pennwlt	x3221	32¾	29	32½	+3¼
RshCot	922	16⅝	14⅛	16⅝	+1⅝
Tenneco	11638	36	32⅝	35⅝	+3
UnCarb	9509	57½	51	56⅝	+3¾
WestgE	14852	40¼	37¼	39¾	+⅞
WheelF	4491	w51⅛	46⅝	50¼	+1¾
Transportation					
BrlNth	7658	59⅛	51	57⅝	+4¼
CSX	7271	54¼	46¼	53	+1⅞
CNWst	1947	24½	21½	24⅛	+2⅝
ICInd	2605	w37⅞	35	36⅞	+1⅞
NorSo	11723	56¼	51½	55	+¼
SFeInd	9617	25⅝	21¾	24⅞	+2⅝
UnPac	14135	w55	45¾	53¾	+6¾
Users					
Alcoa	47977	w33⅝	29¼	33⅛	+2⅛
InldStl	12912	w29¼	25¾	28¾	+2¾
KaisCe	x777	25⅛	24⅝	24⅞	+¼
KaiserSt	8702	26½	20¾	26	+5⅝
NatlStl	6177	20¾	17¼	20⅜	+2⅞
RepStl	5538	18⅛	15⅝	17⅞	+2¼
WhelPit	884	17¾	15¼	17½	+2⅝

a/owns Central Ohio Coal, b/owns 50 percent of Arch Mineral, c/owns Bethlehem Mines, d/owns 15 percent of Peabody Holding Co., e/Owns Conoco and Consolidation Coal, f/Owns 5 percent of Peabody Holding Co., g/owns Exxon Coal, h/owns Utah International, i/owns 50 percent of Colowyo Coal, j/owns 50 percent of Colowyo Coal, k/owns Western Energy, l/owns 27.5 percent of Peabody Holding, m/owns Island Creek Coal Co., n/owns Nerco, o/owns 20 percent of Amax, p/owns Old Ben Coal Co., q/owns 27.5 percent of Peabody Holding Co., r/owns Jeffrey Mining, s/owns 10 percent of Peabody Holding Co., t/owns American Mine Tool, u/owns Pittsburg and Midway Coal Mining Co., w/new 52-week high, x/ex-dividend and sales in full.

COAL INDUSTRY PEOPLE

John R. Halberda is new marketing and sales director for the Mining Tool group of Kennametal Inc. and assumes responsibility for all marketing and sales activities for the group's mining, construction tools as well as snow plow blades, specialty carbide components and Kennametal Casting products.



HALBERDA

PIROZZOLO

Jack O. Pirozzolo was appointed director of marketing and sales for Twin City Shipyard Inc. of St. Paul and is responsible for promotion, advertising and sales of its marine products, including barges, dredges and specialized floating vessels.

LeRoy J. Edwards has joined MAPCO's Coal division as regional sales manager in Baltimore.

Seymour Levy has been promoted to fossil fuel agent at Northeast Utilities.

National Coal Association announced the promotions of **Ralph B. Harry** to senior vice president, **Andrea Innes** to director of political affairs, **Susan Carver** to director of legislative affairs, **Pat Anderman** to director of mining and reclamation, **Phil Budzik** to assistant director economics and statistics, and **Marge Myhre** to executive assistant to the president.

Dr. Ralph M. Perhac, who is director of the Environmental Assessment department at the Electric Power Research Institute, has been appointed to the federal Acid Precipitation Task Force by President Reagan.

Richard W. Bayer has been appointed assistant manager of planning in the coal division of Bethlehem Mines Corp.

Mining and Reclamation Council of America announced the promotions of **Lauri Zell** to director of governmental affairs and **Moya Phelleps** to director of public affairs.

The Pittston Co. elected **Richard B. Steinmetz, Jr.** vice president, administration.

WHERE & WHEN

1983
JANUARY

19-21 — Slurry Pipeline Transport, a short course, Rodeway Inn, Provo, Utah. For further information, contact Richard W. Hanks Associates, Inc., 495 East 1010 South, Orem, Utah 84057 or telephone 801-225-6716 or 801-378-6236.

24-26 — Combustion Instrumentation, short course, New Jersey. For further information, contact Rosanne Razzano, The Center for Professional Advancement, Dept. NR, P.O. Box H, East Brunswick, NJ 08816-0257 or telephone 201-249-1400 ext. 269.

30-Feb. 3 — Energy-sources Technology Conference and Exhibition, Hyatt Regency Houston Hotel, Houston, Texas. For further information contact Frank Demarest; ETCE Exhibits, P.O. Box 59489, Dallas, Texas 75229 or telephone 214-247-1747.

31-Feb. 4 — Society of Explosives Engineers 9th annual conference on explosives and blasting techniques, Dallas North Park Inn, Dallas, Texas. For further information, contact Dr. Calvin J. Konya, Executive Director, Society of Explosives Engineers, P.O. Box 185, Montville, Ohio 44064 or telephone 216-474-8436.

FEBRUARY

14-17 — Stack Sampling and Ambient Air Monitoring, short course, New Jersey. For further information contact Rosanne Razzano, The Center for Professional Advancement, Dept. NR, P.O. Box H, East Brunswick, NJ 08816-0257 or telephone 201-249-1400 ext. 269.

20-26 — Accelerating Philippine Coal Development Through U.S. Technology, Philippine Plaza Hotel, Manila, Philippines. Sponsored by the Ministry of Energy, Philippines and the Trade and Development Program of the United States. For further information, contact AER Enterprises, P.O. Box 454, East Brunswick, New Jersey 00816 or telephone 201-254-6930.

23-25 — Sulfonation, short course, New Jersey. For further information, contact Rosanne Razzano, The Center for Professional Advancement, Dept. NR, P.O. Box H, East Brunswick, NJ 08816-0257 or telephone 201-249-1400 ext 269.

26-March 2 — Control 84, Mineral/Metallurgical Processing, Los Angeles, Calif. Sponsored by the Society of Mining Engineers/AIME and the Metallurgical Society/AIME. For further information, contact J.A. Herbst, University of Utah, Department of Metallurgy, 412 Browning Bldg., Salt Lake City, Utah 84112.

28-March 1 — Third annual Ansul Winter Fire School, Beaumont Fire Department, Beaumont, Texas. For further information, contact the Enrollment Cooridinator, Ansul Training Services, Marinette, Wis. 54143 or telephone 715-735-7411.

28-March 2 — ET'83, the 10th annual Energy Technology Conference and Exposition, Sheraton Washington Hotel, Washington, D.C. For further information, contact Event Manager, Government Institutes, Inc. 966 Hungerford Drive, 24, Rockville, Md. 20850 or telephone 301-251-9250.

MARCH

2-3 — Massachesetts Institute of Technology Sea Grant Seminar, MIT, Cambridge, Massachesetts. For further information, contact Beth Harding, Communications Manager, Massachusetts Institute of Technology, Room E38-366, 77 Massachusetts Ave., Cambridge, Mass. 02139 or telephone 617-253-7041.

3-4 — Third annual Ansul Winter Fire School, Beaumont Fire Department, Beaumont, Texas. For further information, contact the Enrollment Cooridinator, Ansul Training Services, Marinette, Wis. 54143 or telephone 715-735-7411.

5-6 — Longwall Mining short course, Atlanta Hilton, Atlanta, Georgia. Sponsored by the Society of Mining Engineers of AIME. For further information, contact Darline D. Daley, Society of Mining Engineers of AIME, Caller No. D, Littleton, Colo. 80127 or telephone 303-973-9550.

6-10 — Society of Mining Engineers of AIME annual meeting, Atlanta Hilton, Atlanta, Ga. For further information, contact Darline D. Daley, Society of Mining Engineers of AIME, Caller No. D, Littleton, Colo. 80127 or telephone 303-973-9550.

7-8 — Third annual Ansul Winter Fire School, Beaumont Fire Department, Beaumont, Texas. For further information, contact the Enrollment Cooridinator, Ansul Training Services, Marinette, Wis. 54143 or telephone 715-735-7411.

8-10 — Coal Production and Transportation 9th annual conference, Fairmont Hotel, Dallas, Texas. For further information, contact PLM, Inc., 50 California Street, Suite 3300, San Francisco, Calif. 94111 or telephone 415-989-1860.

9-12 — International Contractors Equipment Exposition and Conference, McCormick Plaza West, Chicago, Ill. For further information, contact Martin C. Dwyer International, Division of Clapp and Poliak, Inc., 400 North Michigan Ave., Chicago, Ill. 60611 or telephone 312-467-4590.

10-11 — Third annual Ansul Winter Fire School, Beaumont Fire Department, Beaumont, Texas. For further information, contact the Enrollment Cooridinator, Ansul Training Services, Marinette, Wis. 54143 or telephone 715-735-7411.

14-15 — Third annual Ansul Winter Fire School, Beaumont Fire Department, Beaumont, Texas. For further information, contact the Enrollment Cooridinator, Ansul Training Services, Marinette, Wis. 54143 or telephone 715-735-7411.

14-18 — Solvent Extraction Technology, short course, Chicago, Ill. For further information, contact Rosanne Razzano, The Center for Professional Advancement, Dept. NR, P.O. Box H, East Brunswick, NJ 08816-0257 or telephone 201-249-1400 ext. 269.

15-18 — Slurry Transport Association 8th International Technical Conference on Slurry Transportation, San Francisco, California. For further information, contact STA 490 L'Enfant Plaza East, SW, Suite 3210, Washington, D.C. 20024 or telephone 202-554-4700.

17-18 — Third annual Ansul Winter Fire School, Beaumont Fire Department, Beaumont, Texas. For further information, contact the Enrollment Cooridinator, Ansul Training Services, Marinette, Wis. 54143 or telephone 715-735-7411.

21-23 — Mining and Reclamation Council of America 6th annual meeting, Mayflower Hotel, Washington, D.C. For further information, contact Moya Phelleps, MRCA, Suite 525, 1575 Eye Street, N.W., Washington, D.C. 20005 or telephone 202-789-0220.

21-23 — Repair and Rehabilitation of U.S. Ports, Hyatt Regency Hotel, New Orleans, La. Sponsored by the American Society of Civil Engineers. For further information, contact Elizabeth Yee Lurie, Manager, Conference Services, ASCE, 345 E. 47th Street, New York, N.Y. 10017 or telephone 212-705-7544.

C2350-1 4/11/83

Focus: EXPLOSIVES Starts on Page 4

COAL INDUSTRY NEWS

Coal's National Newspaper

BULK RATE
U.S. POSTAGE
PAID
Permit No. 332
Des Plaines, IL 60018

JANUARY 31, 1983 | 1301 Pennsylvania Ave., N.W., Washington, D.C. 20004 | Volume 7, Number 2 | $1 a Copy; $24 a Year

NEWS ROUNDUP

Black lung benefits might be delayed in the spending freeze proposal President Reagan announced in his State of the Union message, administration sources suggest. Asked at a briefing if the black lung outlays would be frozen at current levels along with government salaries, an official conceded that black lung "is a unique case, but that would be true in this instance."

* * *

OPEC's pricing disarray extends to U.S. coal, experts agree. They point to low oil prices having historically slowed industrial and utility use of coal. Now, despite efforts to convert facilities, strategists wonder if the current oil price slump will combine with the general economic recession and federal and local clean air regulations to make plants and utilities reconsider abandoning oil for coal.

* * *

Domestic steel companies predictably posted losses for 1982 as they began to release full-year financial results last week. U.S. Steel Corp., the nation's leading steelmaker, reported an operating loss in its steel operations of **$852** million "due to **shipments at the lowest level since 1938**," Chairman David M. Roderick said. The loss for the entire company was cut to **$361** million, however, by the company's Marathon Oil Co. division which had **$1.24** billion pre-tax operating income for the year.

* * *

The picture is a little brighter for railroads, however. Seaboard System Chairman Richard D. Sanborn told a Milwaukee group that "we will have **one of the largest capital budgets we have ever had in 1983** — excluding the purchase of new rolling stock." Sanborn said this will include **lengthening of sidings to accommodate 90-car unit coal trains** among other major line improvements.

(Continued on page 2)

INSIDE

NEW SLURRY BILLS were introduced in both the House and Senate Thursday, and proponents are optimistic they'll succeed. **Story on page 2.**

EXPLOSIVES MAKERS expect a modest upturn in fortunes during the coming year. Gene Smith explains why as part of our **Focus on pages 4 and 5.**

A VIRGINIA PORT project cleared its final regulatory approval when the Chesapeake City Council approved $50 million in bonds. That and other **Reports from our Correspondents on back page.**

Environmentalists to Challenge Surface Mine Rules

By Steve Marcy

WASHINGTON — A bitter two-year court battle has intensified as environmentalists prepare to haul the Office of Surface Mining back into court for failing to satisfy terms of an agreement to rewrite federal strip mine rules.

The National Wildlife Federation is preparing charges that OSM once again failed to adequately consider the environmental impacts of its regulatory preferences and compare them with existing rules or with other possible alternatives.

Such comparisons, the NWF contends, are mandated both by the National Environmental Policy Act and the Surface Mining Control and Reclamation Act.

What's more, OSM promised last August in an out-of-court settlement with the federation to prepare a full-blown environmental impact statement analyzing the probable effects of more than 20 OSM revisions.

Industry sources say the environmentalists will have a tough time proving their case. These sources are confident that OSM actions satisfy the agreement and that a program will at last be in place.

"Can Withstand Challenge"

"From what I've seen, from what the OSM lawyers and the industry lawyers say, they're confident that the EIS can withstand that kind of challenge," one source told *Coal Industry News*. "As long as OSM has followed the prescribed procedures, it'll be pretty hard for a judge to find against (the regulatory drafts)."

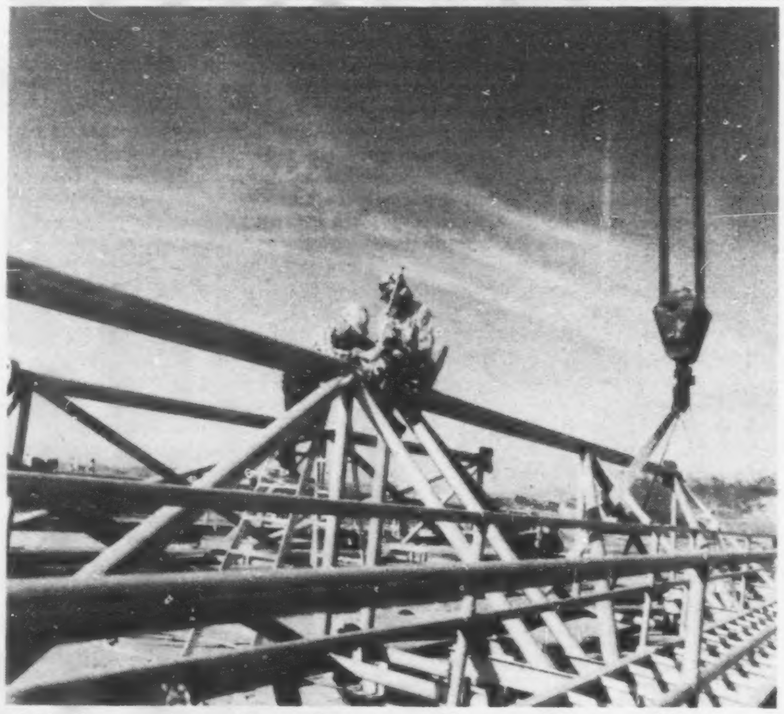
OSM Director Richard Harris unveiled three volumes earlier this month that he said correct the analytical shortfalls. The volumes also contain and justify drafts of the agency's preferred rules.

After a 30-day cooling off period required by the National Environmental Policy Act, Harris hopes to make the "preferred alternatives" final rules about March 1. These rules are also standards to be used by state enforcement agencies in administering the law within their borders.

The supposed cooling off period, however, is instead transforming itself into a period of heated planning for renewed court battles.

Norman Dean, NWF attorney, says the comments fail to address the court settlement in any substantive manner. "It is impossible for a decision maker or the public to use this document to compare the relative environmental impacts of the existing

(Continued on back page)



Walking Dragline Design Saves Time, Money

BOOM SECTIONS, like other structures on Bucyrus Erie's new 680-W modular dragline, bolt together instead of requiring field welding. The result is thousands of manhours saved without having to sacrifice reliability and safety. The key, says the manufacturer, is in the modular design. For a closer look, turn to page 11.

New England Electric Cites High Rail Rates In Reviewing Contracts

RICHMOND — New England Electric Service Co., which cancelled a West Virginia coal contract in December, is also reconsidering a multi-million dollar contract in Virginia.

Spokesman for the utility would not comment specifically on the Virginia contract. But proceedings before the Interstate Commerce Commission show the utility is fighting rates it pays Norfolk and Western Railway to haul coal from southwestern Virginia to Hampton Roads.

A less expensive hauling rate caused New England Electric to cancel a 400,000-ton order from A.T. Massey Coal Co.'s West Virginia mines. The result was hundreds of lost miners' jobs and a revival by Gov. Jay Rockefeller of plans for a slurry pipeline from West Virginia to Baltimore.

"We have decided that we can no longer afford to ship on N&W," said Glen Schleede, president of a New England Electric Service subsidiary. The utility, meanwhile, is getting coal from Pennsylvania mines and shipping it on Consolidated Rail Corp. at a $3 million annual savings.

The dispute over N&W rates could result in a similar reassessment by New England of its Virginia suppliers. Spokesmen for the railroad, New England Electric and United Coal Co. of Bristol, Va., each confirmed that the rail rates are being reviewed. — **Carl Cahill**

Strathclyde Gains NMS, But Rival is Still in Picture

By Gene Smith

NEW YORK — Anderson Strathclyde PLC, the Glasgow-based mining equipment maker, has won control of National Mine Service Co. after Longyear Co. of Minneapolis withdrew from the bidding.

The Scottish company will pay $13.10 each for nearly 2.5 million National Mine Service common shares. This will give it 51 percent control at a price tag of $32.1 million. Its earlier bid of $13 per share was matched by Longyear which had sought 1.8 million shares, or 35 percent of the Pittsburgh-based NMS.

But despite the withdrawal of Longyear, control of NMS may still wind up in the hands of Anglo American Corp. of South Africa Ltd., one of the world's largest mining conglomerates that is controlled by the well-known industrialist, Harry Oppenheimer.

In mid-December the NMS board decided to remain neutral on Longyear's initial bid of $11.50 per share for 1,200,000 shares of NMS at $11.50 per share. Longyear, which produces diamond core drilling equipment and provides exploration drilling services worldwide, is owned by a subsidiary of Anglo American.

Takeover of Strathclyde

Another Anglo American subsidiary, Charter Consolidated PLC, has been attempting to take over Anderson Strathclyde. That offer was challenged by the British government and Strathclyde. The offer has since lapsed and the challenge dropped, but Charter Consolidated hasn't indicated whether it will once again pursue that objective. If it does and is successful, NMS would be controlled by Anglo American despite the withdrawal of the Longyear bid.

The largest block of NMS stock — 23.8 percent — is held by CSX Corp. These shares were purchased by Chessie System in 1976 from Irish Fitzwilliam Ltd., whose deputy chairman was Anthony J.F. O'Reilly, who is now chairman and chief executive of H.J. Heinz Co. CSX got the shares with the merger of Chessie and Seaboard Coastline Industries. It has indicated its intention of selling them but Robert Hintz, senior vice president of finance at CSX, said there was

(Continued on back page)

FACTS & FIGURES

	WEEKLY		
	1/15/83	1/8/83	1/16/82
Production			
Bituminous, recent week	15,233	13,978	13,189
Bituminous, year to date	**29,211**	**32,640**	—
Anthracite, recent week	84	77	97
Anthracite, year to date	**161**	**223**	—
Railroad carloadings			
Bituminous, recent week	102,334	93,855	88,326
Bituminous, year to date	**196,189**	**220,628**	—
Anthracite, recent week	30	36	87
Anthracite, year to date	**66**	**318**	—

Production data in thousands of short tons.
Source: U.S. Dept of Energy, Energy Information Administration—Weekly Coal Report.

	WEEKLY		
	1/15/83	1/8/83	1/16/82
Production by states, bituminous and lignite			
Eastern			
Alabama	492	452	462
Georgia	—	—	—
Illinois	1,133	1,040	972
Indiana	557	511	478
Kentucky:			
Eastern	2,006	1,841	1,780
Western	687	631	658
Total, Ky.	**2,693**	**2,472**	**2,438**
Maryland	74	68	64
Ohio	706	648	613
Pennsylvania	1,431	1,313	1,316
Tennessee	149	136	149
Virginia	725	665	658
West Virginia	2,378	2,182	1,914
Total, Eastern	**10,338**	**9,467**	**9,064**
Western			
Alaska	15	14	12
Arizona	204	188	164
Arkansas	4	3	3
Colorado	353	324	299
Iowa	11	10	9
Kansas	17	15	12
Missouri	93	85	82
Montana	520	477	508
New Mexico	325	298	299
North Dakota	344	315	273
Oklahoma	100	92	84
Texas	613	563	493
Utah	297	273	224
Washington	85	78	78
Wyoming	1,914	1,756	1,585
Total Western	**4,895**	**4,491**	**4,125**
Total, United States	**15,233**	**13,978**	**13,189**

In short tons (000).
Source: U.S. Dept of Energy, Energy Information administration—Weekly Coal Reports.

	MONTHLY		
	11/82	10/82	11/81
Coal Labor			
All employees			
Coal Mining	222.0	224.3	252.2
Bituminous & Lignite	218.7	221.0	248.7
Production employees			
Coal mining	179.9	181.9	209.3
Bituminous & Lignite	177.0	179.0	206.2
Hours, weekly average			
Coal mining	38.3	39.1	42.7
Bituminous & Lignite	36.2	39.1	42.7
Earnings, hourly average			
Coal mining	13.09	12.93	12.38
Bituminous & Lignite	13.13	12.97	12.41
Earnings, weekly average			
Coal mining	501.35	505.56	528.63
Bituminous & Lignite	501.57	507.13	529.91

Source: U.S. Dept. of Labor, Bureau of Labor Statistics—Employment and Earnings.

	MONTHLY		
	11/82	10/82	11/81
Bituminous and Lignite			
Consumption			
Electric power utilities	47,699	46,248	46,873
Coal user stocks of coal			
Electric power utilities	171,335	170,181	156,360
Anthracite			
Consumption			
Electric power utilities	100	81	141
Coal user stocks of coal			
Electric power utilities	6,060	5,992	5,548

Note: Data give in thousands of short tons.
Source: U.S. Dept. of Energy Information Administration—Weekly Coal Report.

	11/82	10/82	11/81
Coal User Production			
Major district users:			
Electric utilities (Mil Kwh.)			
Monthly	95,547	93,779	94,841

	MONTHLY		
Price Indexes			
	12/82	**11/82**	**8/82**
Bituminous Coal and Lignite	105.0	105.1	104.8
Primary Products	103.5	103.4	104.1
Prepared	104.7	104.7	104.4
Steam electric utilities	105.9	105.7	105.1
North Appalachia	106.1	102.9	104.8
Spot	N.A.	N.A.	98.9
Contract	106.3	102.6	105.7
South Appalachia			
Contract	N.A.	99.4	98.2
Midwest	107.8	110.2	109.4
Contract	108.9	111.6	110.7
West	110.0	109.4	105.9
Contract	110.0	109.4	105.9
Metallurgical/coke producer	101.7	101.6	102.7
High volatile	100.2	100.0	100.8
North Appalachia	97.2	97.2	98.8
Contract	N.A.	N.A.	98.8
South Appalachia			
Contract	102.0	101.5	102.0
West	99.0	100.7	100.1
Low volatile	102.8	103.4	106.0
North Appalachia			
Contract	99.5	103.0	104.7
South Appalachia			
Contract	105.5	104.2	107.3
All other industrial	100.5	100.8	101.8
North Appalachia			
Contract	91.2	91.2	90.0
Midwest			
Contract	107.2	107.2	106.0
Unprepared (raw)	99.2	99.0	103.1
For preparation at other establishments	N.A.	N.A.	N.A.
For use without preparation	N.A.	N.A.	N.A.
Anthracite	154.0	154.0	153.8
Primary products	152.6	152.6	152.5
Prepared anthracite shipped	154.7	154.7	154.5
Stove	151.7	151.7	151.1
Chestnut	151.5	151.5	150.9
Pea	160.3	160.3	160.3
Buckwheat no. 1	149.0	149.0	149.0
Buckwheat no. 2	160.8	160.8	160.8
Buckwheat no. 4	143.9	143.9	143.9
Buckwheat no. 5	112.0	112.0	112.0

N.A.—Not Available

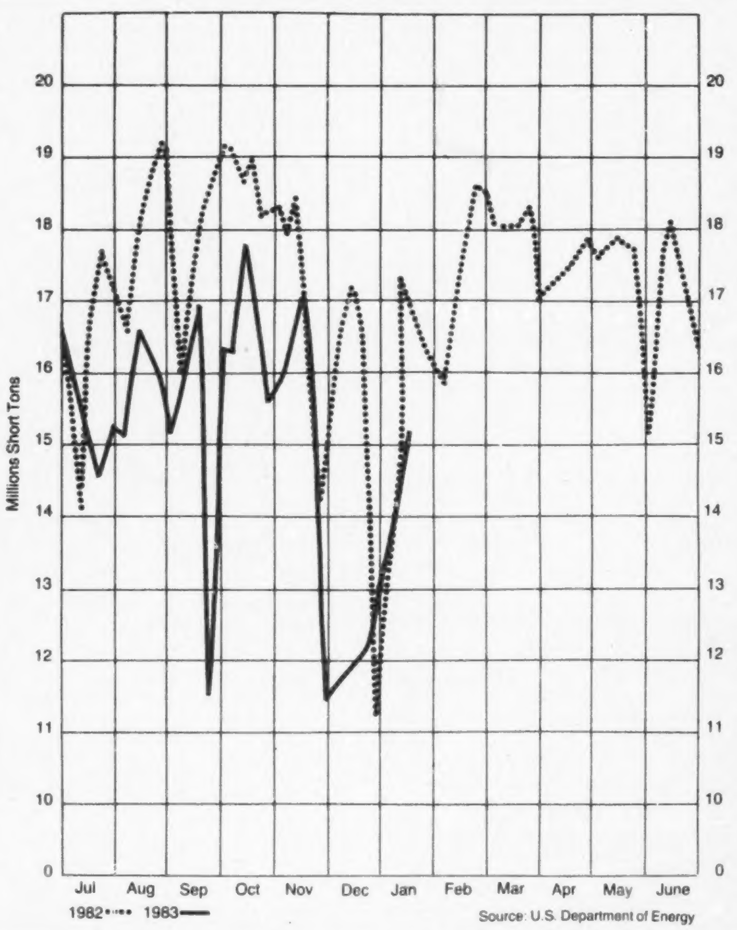
Source: Bureau of Labor Statistics, Dept. of Labor.

Note: The Bureau of Labor Statistics has recalibrated its producer price index figures for bituminous and lignite, as well as reorganizing its pricing categories. The new index is based on a compilation of average prices for December, 1981, and that month appears as 100. The former index used June, 1976 prices as its base.

Domestic

Latest U.S. Production Figures

Estimated Bituminous Coal and Lignite Production



Source: U.S. Department of Energy

BITUMINOUS and lignite production reached 15.233 million short tons for the week ended Jan. 15., a 9 percent increase from the previous week's 13.978 million short tons. Production in the corresponding week of 1982 reached 13.189 million short tons. Production for the first two weeks of the year reached 29.211 million short tons, down 10.5 percent from the corresponding period in 1982.

Exports & Imports

	Quantity in short tons			Dollar Value			Avg. Value per short ton		
Bituminous coal, low volatile blends to make coke No. 5213110	**11/82**	**10/82**	**11/81**	**11/82**	**10/82**	**11/81**	**11/82**	**10/82**	**11/81**
Belgium	192,408	282,248	411,089	12,436,106	17,141,553	18,522,793	64.63	60.73	45.05
Brazil	260,833	334,334	311,902	14,465,188	17,256,075	12,770,505	55.45	51.61	40.94
Canada	387,906	937,675	615,744	26,399,452	62,102,630	37,571,426	68.05	66.23	61.01
France	218,893	381,287	751,882	11,175,562	21,711,632	37,940,663	51.05	56.94	50.46
Germany, F.R. (West)	—	76,931	197,256	—	4,069,528	9,881,736	—	52.89	50.35
Italy	543,308	776,407	966,490	26,001,417	39,266,107	46,432,039	47.85	50.57	48.04
Japan	1,315,219	1,533,082	2,770,512	78,643,079	94,259,202	163,409,807	59.79	61.48	58.98
Netherlands	147,170	338,082	259,010	9,257,723	17,141,553	16,061,209	62.90	50.62	62.00
Spain	223,531	193,856	338,241	10,388,575	9,813,314	15,033,023	46.47	50.62	44.44
Sweden	79,381	314,657	153,121	3,704,675	17,064,977	8,796,082	46.66	54.23	57.44
United Kingdom	—	—	301,823	—	—	17,695,821	—	—	58.62
Yugoslavia	76,898	193,396	369,965	5,00,060	10,271,387	22,093,450	65.02	53.11	59.71
Total, above	3,445,547	5,362,466	7,447,035	197,471,837	310,097,958	401,208,554	57.31	57.82	54.54
Total, other nations	524,127	508,235	682,493	31,205,810	28,864,739	40,279,774	59.53	56.79	59.01
Total, all nations	**3,969,674**	**5,870,701**	**8,129,528**	**228,677,647**	**338,962,697**	**446,488,328**	**57.60**	**57.73**	**54.92**

	Quantity in short tons			Dollar Value			Avg. Value per short ton		
	11/82	10/82	11/81	11/82	10/82	11/81	11/82	10/82	11/81
Bituminous coal, others No. 5213120									
Belgium	131,159	65,225	157,700	4,959,468	2,840,204	6,419,772	37.81	43.54	40.70
Canada	1,609,983	1,835,915	1,437,170	80,250,571	93,685,989	67,605,688	49.84	51.02	47.04
China, Taiwan	123,825	181,709	168,429	5,301,886	8,122,406	6,547,265	42.81	44.70	38.87
Denmark	189,870	427,459	307,912	10,452,508	18,807,417	12,932,792	55.05	43.99	42.00
Finland	185,207	47,775	203,132	7,658,434	1,857,184	9,516,865	41.29	38.87	46.85
France	520,446	469,267	260,576	22,754,991	21,663,008	12,017,736	43.72	46.16	46.11
Germany, F.R. (West)	97,340	210,620	145,896	6,120,068	11,094,094	7,304,804	62.87	52.67	50.06
Italy	424,098	282,333	365,466	22,191,398	13,985,579	18,267,101	52.32	49.53	49.98
Japan	143,625	271,080	371,113	7,115,678	13,796,829	18,367,620	49.54	50.89	49.49
Netherlands	175,804	184,416	148,600	9,515,151	8,908,077	7,061,559	54.12	48.30	47.52
Spain	177,370	106,522	358,479	7,433,664	4,032,484	16,192,632	41.91	37.85	45.16
Total, above	3,778,727	4,082,321	3,924,473	183,753,817	198,793,241	182,223,834	48.62	48.69	46.43
Total, other nations	251,052	222,334	304,524	10,948,814	11,178,083	15,423,302	43.61	50.27	50.64
Total, all nations	**4,029,799**	**4,304,655**	**4,228,997**	**194,702,631**	**209,971,324**	**197,647,136**	**48.31**	**48.77**	**46.73**
Lignite No. 5213130									
Total, all nations	**362**	**809**	**2,061**	**63,153**	**99,555**	**363,347**	**174.45**	**123.05**	**176.29**
Coal coke for use as fuel No. 5213148									
Total, all nations	**59,774**	**56,567**	**54,194**	**3,638,655**	**3,420,940**	**5,355,890**	**60.87**	**60.47**	**98.82**
Petroleum coke, except calcined No. 5213150									
Canada	128,802	47,035	28,732	4,712,130	1,919,871	1,154,413	36.58	40.81	40.17
Japan	417,427	273,423	163,970	16,696,182	10,271,458	8,295,103	39.99	37.56	50.58
Netherlands	113,735	127,507	66,556	2,569,874	5,575,563	3,531,310	22.59	43.72	53.05
Total, above	659,964	447,965	259,258	23,978,186	17,766,892	12,980,826	36.33	39.66	50.06
Total, other nations	497,313	618,963	106,528	13,808,271	20,149,716	6,259,352	27.76	32.55	58.75
Total, all nations	**1,157,277**	**1,066,928**	**365,786**	**37,786,457**	**37,916,608**	**19,240,178**	**32.65**	**35.53**	**52.59**
Compositions for fuel No. 5213160									
Total, all nations	**32,681**	**495**	**3,004**	**1,037,637**	**41,090**	**181,163**	**31.75**	**83.01**	**53.64**
Anthracite No. 5213170									
Korea Rep. (South)	34,478	77,160	114,380	1,220,600	2,413,900	7,024,963	32.56	31.28	61.41
Total, all nations	**106,603**	**120,862**	**171,392**	**6,054,223**	**5,835,940**	**10,877,383**	**56.79**	**48.28**	**63.46**

Strong 2 Weeks Ago, Most Coal Issues Lose Ground

NEW YORK — Like the saying, "What goes up must come down," so it was with the vast majority of issues in *Coal Industry News's* list of coal-related stocks for the week ended Jan. 21. Two weeks earlier, the overwhelming number of these issues were heading up along with the bulk of the market.

Such activity was in line with leading market averages. The Dow Jones Industrial Average fell 27.87 points in the Jan. 21 week, a decline of 2.58 percent, while the Dow Jones Transportation Index dropped 18.90 points for a 4.04 percent loss.

The combination of weak fourth-quarter and 12-month earnings in the metals industries forced many of the list's stocks down. For steel issues, there was the added impact of the 6 percent price hike by 8 major producers for carbon and alloy sheet, strip and plate. Most security analysts and industry watchers have predicted that these increases will not stick, especially with steel in its worst slump since the Great Depression.

Inland Steel fell 3 to close at 26 1/8 after it reported a fourth quarter loss of $31.5-million and a red-ink figure of $118.8 million for the full year. This was Inland Steel's first deficit since 1932.

All seven of the list's transportation stocks showed declines in the most recent week.

National Mine Service closed the week at 12 1/8, down 3/8 from its week high. The promise of a growing fight for control of the company ended when the Scottish firm, Anderson Strathclyde PLC raised its ante to $13.10 and the other suitor, Longyear Co., decided to abandon its standing offer of $13 a share for 35 percent of NMS shares. The Scottish firm is seeking about 51 percent of those shares with the backing of the NMS board.

Most of the equipment suppliers reported declines in their stock prices, due in large part to the weak earnings reports from leaders in their industries.

Stock market watchers in growing numbers now expect the market to turn downward after its prolonged rally that dates back to August. Merrill Lynch, Pierce, Fenner and Smith Chief Market Analyst Robert J. Farrell warned on Jan. 24 that the market could fall back as much as 15 percent over the next few months. This would drop it to the 930 level from its recent Dow Jones peak of 1092.35.

January 21, 1983

company	sales 100s	wks. high	wks. low	last	net chg
Coal Companies					
Amax	12086	25	24⅛	24¾	-¼
AEPw/a	15484	19⅝	19⅛	19¼	+¼
AshlOil/b	3634	31¾	30⅛	30⅝	-¾
BethStl/c	5275	22¼	19⅝	19⅞	-1¾
Boeing/d	15499	w37¼	32⅝	33⅞	-3
DuPont/e	12945	42¼	39¾	40⅛	-1¾
EastGF	1086	24⅝	22⅝	22⅞	-⅞
ElPaso	10553	21⅛	20½	20½	-½
EqtLf/f	...	...	...	...	...
Exxon/g	51489	31⅝	30	30¾	+¼
GenEl/h	12374	97¼	93¾	93⅞	-2⅝
Grace/i	3778	43¼	42¼	42½	-¼
GulfOil/u	18265	32⅞	30	32⅝	+1⅝
Hanna/j	762	21	20½	20⅞	+⅛
KerrMc	11625	31⅞	28½	31⅝	+2⅛
Mapco	2240	26¼	25	25	-⅞
Mobil	32310	27⅞	24⅞	27⅛	+1⅛
MonPw/k	1719	26¾	26	26½	...
Newmt/l	4976	59⅝	54¾	55	-3½
NACoal	83	29	27⅛	28	+½
OcciPet/m	10668	21¾	20½	20⅞	-⅝
PacPw/n	1795	21⅞	21½	21⅝	+⅛
PhilPet	19278	37¼	33⅛	35	+1¼
Pittstn	4512	16¾	15⅞	16⅛	+⅛
ShellO	3259	42	38⅝	39¾	-¼
StOilCl/o	20800	35⅛	31¼	35	+2⅝
StdOOh/p	19407	41⅞	36½	39⅝	+⅞
SunCo	2734	35	33¾	34¼	-½
Texaco	24539	33⅛	31⅝	33	+1¼
TexUtil	9467	23½	22⅞	23¼	...
USSteel	9965	21⅛	20¼	20⅝	-¼
UtaPL	2449	w22½	22	22¼	...
WaltJm	4612	37¾	33¾	33⅞	-3¾
West	631	20½	19⅞	20¼	+¼
William/q	9008	20⅛	18⅞	19½	+½
Suppliers					
ACF	837	34¾	33½	34	-¾
AllisCh	1010	13	12½	12⅝	-¼
BucyEr	1086	16¾	15⅝	15½	-1¼
CatrpT	9985	46¾	43¼	44⅛	-2⅛
Chryslr	22536	17	14¾	15	-2
CmbEn	3912	38½	36⅛	36⅝	-2
DowCh	14650	29⅛	27⅝	27¾	-1
Dravo	772	13½	12⅝	12⅝	-1
Dresr/r	16941	21¼	20¼	20¼	-⅜
FMC	2401	w37½	34⅝	35	+¼
Firest	5676	19⅛	17	17⅝	-1½
Fluor/s	6348	24⅞	22⅝	22¾	-1⅝
FordM	10274	39⅝	36¼	36¼	-2⅝
GTE/t	16872	42⅝	39¾	40⅛	-1½
GMot	25169	65¼	58½	58⅞	-4⅞
GTire	2242	34½	31½	32	-2¼
Gdrich	1974	35½	34	34	-¾
Goodyr	11743	35⅞	31½	31⅝	-3⅞
IngerR	2667	45⅝	42¼	42¾	-½
IntHarv	10385	4¾	4	4¼	...
JoyMfg	2818	26¾	24¾	25½	-¾
Kenmt	640	32¼	29¾	30	-1¾
McDnD	8707	w45⅝	42⅝	42⅝	+⅜
NMineS	3949	13	12⅛	12⅛	-⅜
Pennwlt	1107	33⅝	30½	30½	-2¼
RshCot	506	16¼	15⅝	15⅞	-⅜
Tenneco	10091	35⅝	34	34¾	-⅛
UnCarb	6070	59⅝	56	56⅝	-2¼
WestgE	11602	w46	42¾	42⅞	-1¾
WheelF	2343	54¾	53	53⅞	+⅛
Transportation					
BrlNth	4266	63¼	60⅝	61¼	-½
CSX	4612	56¾	52⅛	53⅛	-2¼
CNWst	1102	w27⅝	24⅛	24½	-2⅛
ICInd	1293	38½	36⅝	36⅞	-⅜
NorSo	6235	[illegible]	52⅞	53¼	-2½
SFeInd	8135	25⅞	24	24⅝	-⅛
UnPac	11386	53¼	49	49¼	-2
Users					
Alcoa	7368	34⅝	31¼	31½	-2⅛
InldStl	3469	28⅞	26	26⅛	-3
KaisCe	473	25⅝	24	24⅝	-⅞
KaisrSt	5433	30¾	27	29	-1
NatlStl	3034	22⅛	20	20	-2
RepStl	674	17	15½	15½	-1¼
WhelPit	541	18¼	17	17¾	-¼

a/owns Central Ohio Coal, b/owns 50 percent of Arch Mineral, c/owns Bethlehem Mines, d/owns 15 percent of Peabody Holding Co., e/Owns Conoco and Consolidation Coal, f/Owns 5 percent of Peabody Holding Co., g/owns Exxon Coal, h/owns Utah International, i/owns 50 percent of Colowyo Coal, j/owns 50 percent of Colowyo Coal, k/owns Western Energy, l/owns 27.5 percent of Peabody Holding, m/owns Island Creek Coal Co., n/owns Nerco, o/owns 20 percent of Amax, p/owns Old Ben Coal Co., q/owns 27.5 percent of Peabody Holding Co., r/owns Jeffrey Mining, s/owns 10 percent of Peabody Holding Co., t/owns American Mine Tool, u/owns Pittsburg and Midway Coal Mining Co., w/new 52-week high, x/ex-dividend and sales in full.

Lab Celebrates 10 Years

COLUMBUS, Ohio — Battelle Columbus Laboratories begins the 10th year of its stack-gas-control and coal utilization laboratory by looking for new technology to license and spread around the world, the company said.

The center, which provides information on gas desulfurization, coal cleaning and fluidized-bed combustion, has received $3 million in support funds from trade associaions and companies in several countries.

WHERE & WHEN

JANUARY

31-Feb. 4 — Society of Explosives Engineers 9th annual conference on explosives and blasting techniques, Dallas North Park Inn, Dallas, Texas. For further information, contact Dr. Calvin J. Konya, Executive Director, Society of Explosives Engineers, P.O. Box 185, Montville, Ohio 44064 or telephone 216-249-8436.

FEBRUARY

4-5 — University of Nevada-Reno, short course on Mining Law, El Dorado Hotel, Reno, Nev. For further information, contact the University of Nevada-Reno, Division of Continuing Education, Reno, Nev. 89557 or telephone 702-784-4046.

8 — Logan Coal Operators' Association, annual meeting. Logan, West Virginia.

9-11 — Colorado Mining Association, 86th National Western Mining Conference and Exhibition. The Fairmont, Denver, Colo.

10-11 — Coal: Exports and Foreign Business Transactions, short course, sponsored by the American Law Institute/American Bar Association. L'Enfant Plaza Hotel, Washington, D.C.

11-13 — Facts About Coal in Tennessee, annual meeting. The Glenstone Lodge, Gatlinburg, Tenn.

14-17 — Stack Sampling and Ambient Air Monitoring, short course, New Jersey. For further information contact Rosanne Razzano, The Center for Professional Advancement, Dept. NR, P.O. Box H, East Brunswick, NJ 08816-0257 or telephone 201-249-1400 ext. 269.

15-18 — ASME/EPRI/APCA 2nd Symposium on Integrated Environmental Controls for Coal-Fired Power Plants, Stouffer's Denver Inn, Denver, Colo.

16-17 — International Conference on Coal, Minerals and Petroleum, Hotel Captain Cook, Anchorage, Alaska. For further information, contact Carl R. Portman, Conference Coordinator, Resource Development Council, Inc., Box 516, Anchorage, Alaska 99510 or telephone 907-278-9615.

20-26 — Accelerating Philippine Coal Development Through U.S. Technology, Philippine Plaza Hotel, Manila, Philippines. Sponsored by the Ministry of Energy, Philippines and the Trade and Development Program of the United States. For further information, contact AER Enterprises, P.O. Box 454, East Brunswick, New Jersey 00816 or telephone 201-254-6930.

21-23 — Coal Expo '83: An International Exhibition of Coal Mining and Processing Equipment. Held in conjunction with the Philippine-U.S. Coal/Lignite Symposium, Philippine Plaza Hotel, Manila, Philippines.

21-14 — OISTL/IMMR, Hydrology and Sedimentology of Surface Mined Lands, short course. Executive Inn, Owensboro, Ky.

23-25 — Sulfonation, short course, New Jersey. For further information, contact Rosanne Razzano, The Center for Professional Advancement, Dept. NR, P.O. Box H, East Brunswick, NJ 08816-0257 or telephone 201-249-1400 ext 269.

26-March 2 — Control 84, Mineral/Metallurgical Processing, Los Angeles, Calif. Sponsored by the Society of Mining Engineers/AIME and the Metallurgical Society/AIME. For further information, contact J.A. Herbst, University of Utah, Department of Metallurgy, 412 Browning Bldg., Salt Lake City, Utah 84112.

27-Mar. 1 — Coal Transportation and Distribution Seminar, Westin Galleria, Houston, Texas. Sponsored by the National Coal Association and Edison Electric Institute.

28-Mar. 1 — Third annual Ansul Winter Fire School, Beaumont Fire Department, Beaumont, Texas. For further information, contact the Enrollment Coordinator, Ansul Training Services, Marinette, Wis. 54143 or telephone 715-735-7411.

28-March 2 — ET'83, the 10th annual Energy Technology Conference and Exposition, Sheraton Washington Hotel, Washington, D.C. For further information, contact Event Manager, Government Institutes, Inc., 966 Hungerford Drive, 24, Rockville, Md. 20850 or telephone 301-251-9250.

MARCH

2-3 — Massachesetts Institute of Technology Sea Grant Seminar, MIT, Cambridge, Massachesetts. For further information, contact Beth Harding, Communications Manager, Massachusetts Institute of Technology, Room E38-366, 77 Massachusetts Ave., Cambridge, Mass. 02139 or telephone 617-253-7041.

3-4 — Third annual Ansul Winter Fire School, Beaumont Fire Department, Beaumont, Texas. For further information, contact the Enrollment Coordinator, Ansul Training Services, Marinette, Wis. 54143 or telephone 715-735-7411.

5-6 — Longwall Mining short course, Atlanta Hilton, Atlanta, Georgia. Sponsored by the Society of Mining Engineers of AIME. For further information, contact Darline D. Daley, Society of Mining Engineers of AIME, Caller No. D, Littleton, Colo. 80127 or telephone 303-973-9550.

6-10 — Society of Mining Engineers of AIME annual meeting, Atlanta Hilton, Atlanta, Ga. For further information, contact Darline D. Daley, Society of Mining Engineers of AIME, Caller No. D, Littleton, Colo. 80127 or telephone 303-973-9550.

7-8 — Third annual Ansul Winter Fire School, Beaumont Fire Department, Beaumont, Texas. For further information, contact the Enrollment Coordinator, Ansul Training Services, Marinette, Wis. 54143 or telephone 715-735-7411.

7-9 — Ninth Annual Research Symposium on Land Disposal, Incineration and Treatment of Hazardous Waste, sponsored by the Solid and Hazardous Waste Research Division and the Industrial Pollution Control Division, U.S. Environmental Protection Agency, Drawbridge Motor Inn and Convention Center, Ft. Mitchell, Ky. For futher information, contact David Shultz or Cathy Murillo, Southwest Research Institute, P.O. Drawer 28510, San Antonio, Texas 78284 or telephone 512-684-5111.

8-10 — Coal Production and Transportation 9th annual conference, Fairmont Hotel, Dallas, Texas. For further information, contact PLM, Inc., 50 California Street, Suite 3300, San Francisco, Calif. 94111 or telephone 415-989-1860.

9-10 — Southern Coals Conference Inc., seminar and annual meeting, Queen City Club, Cincinnati, Ohio.

9-12 — International Contractors Equipment Exposition and Conference, McCormick Plaza West, Chicago, Ill. For further information, contact Martin C. Dwyer International, Division of Clapp and Pokiak, Inc., 400 North Michigan Ave., Chicago, Ill. 60611 or telephone 312-467-4590.

10-11 — Third annual Ansul Winter Fire School, Beaumont Fire Department, Beaumont, Texas. For further information, contact the Enrollment Coordinator, Ansul Training Services, Marinette, Wis. 54143 or telephone 715-735-7411.

14-15 — Third annual Ansul Winter Fire School, Beaumont Fire Department, Beaumont, Texas. For further information, contact the Enrollment Coordinator, Ansul Training Services, Marinette, Wis. 54143 or telephone 715-735-7411.

14-18 — Solvent Extraction Technology, short course, Chicago, Ill. For further information, contact Rosanne Razzano, The Center for Professional Advancement, Dept. NR, P.O. Box H, East Brunswick, NJ 08816-0257 or telephone 201-249-1400 ext. 269.

15-18 — Slurry Transport Association 8th International Technical Conference on Slurry Transportation, San Francisco, California. For further information, contact STA 490 L'Enfant Plaza East, SW, Suite 3210, Washington, D.C. 20024 or telephone 202-554-4700.

16-18 — IOSTL/IMMR, Coal Laboratory Technician Training, short course, Kentucky Center for Energy Research, Lexington, Ky.

17-18 — Third annual Ansul Winter Fire School, Beaumont Fire Department, Beaumont, Texas. For further information, contact the Enrollment Coordinator, Ansul Training Services, Marinette, Wis. 54143 or telephone 715-735-7411.

Virginia Mining and Reclamation Association, annual meeting, Ramada Inn, Kingsport, Tenn.

21-23 — Mining and Reclamation Council of America 6th annual meeting, Mayflower Hotel, Washington, D.C. For further information, contact Moya Phelleps, MRCA, Suite 525, 1575 Eye Street, N.W., Washington, D.C. 20005 or telephone 202-789-0220.

21-23 — Repair and Rehabilitation of U.S. Ports, Hyatt Regency Hotel, New Orleans, La. Sponsored by the American Society of Civil Engineers. For further information, contact Elizabeth Yee Lurie, Manager, Conference Services, ASCE, 345 E. 47th Street, New York, N.Y. 10017 or telephone 212-705-7544.

22-24 — Second Conference on Fabric Filter Technology for Coal-Fired Power Plants, Stouffer's Denver Inn, Denver, Colo. For further information, contact Janet Runyan, Conference Coordinator, Acurex Corp., 485 Clyde Ave., Mountain View, Calif. 94042 or telephone 415-964-3200 ext. 3023.

22-24 — Measuring and Monitoring Noncriteria (Toxic) Air Contaminants, Knickerbocker Hotel, Chicago, Ill. Sponsored by the Lake Michigan States Section of APCA.

23-24 — The Outlook For Coal: Digging Out From The Pit, Stouffer's National Center, Arlington, Va. For further information, contact Paul Gilman, Planning Manager, The Energy Bureau, 41 East 42 Street, New York, N.Y. 10017 or telephone 212-687-3177.

- *To let Coal Industry News readers know "where and when" YOUR association's meeting or short course is being held, send a notice to Anita Jenkins, Coal Industry News, 1301 Pennsylvania Ave., N.W., Suite 1010, Washington, D.C. 20004.*

Call Now
For Reservations

Future issues of COAL INDUSTRY NEWS, the *only* national coal newspaper, will spotlight special editorial of vital interest to purchasing decision-makers.

MAY 16—AMERICAN MINING CONGRESS

Bonus Distribution: **AMC SPRING MEETING**
St. Louis
May 16

A schedule in our AMC Conference issue delivers your message to thousands of industry decision-makers. Reach high-interest AMC attendees *plus* the regular readership of Coal Industry News.

Place your equipment and service advertising in the publication that reaches every sector of coal business.

Contact your nearest *Coal Industry News* representative today:

COAL INDUSTRY NEWS

Washington, DC
(202) 638-5159
David Chapman

New York, NY
(212) 750-1600
Don O'Brien

Chicago, IL
(312) 922-7656
Dave Neiman

Houston, TX
(713) 868-3115
Don Strong

Los Angeles, CA
(213) 373-9604
Dick Faust

C2350-1 4/11/83

COAL INDUSTRY NEWS

Coal's National Newspaper

BULK RATE
U.S. POSTAGE
PAID
Permit No. 332
Des Plaines, IL 60018

FEBRUARY 14, 1983 1301 Pennsylvania Ave., N.W., Washington, D.C. 20004 Volume 7, Number 3 $1 a Copy; $24 a Year

NEWS ROUNDUP

Unconfirmed reports have the hard-bitten chairman of the state-owned British Steel Corp., **Ian McGregor, being asked to become head of Britain's National Coal Board** when his current contract ends this summer. The British government has refused comment so far on the matter, but analysts believe Prime Minister Margaret Thatcher wants the tough, Scottish-born American to take on militant coal union leaders as well as less visible problems within the deficit-ridden coal board.

* * *

U.S. coking coal suppliers started tough negotiations with Japanese steelmakers last week over supply volumes and prices for shipment in fiscal 1983, which starts April 1. Representatives of eight U.S. suppliers, including Pittston Coal Export Corp., will continue talks into this week, but industry souces say it is uncertain whether any agreements will result.

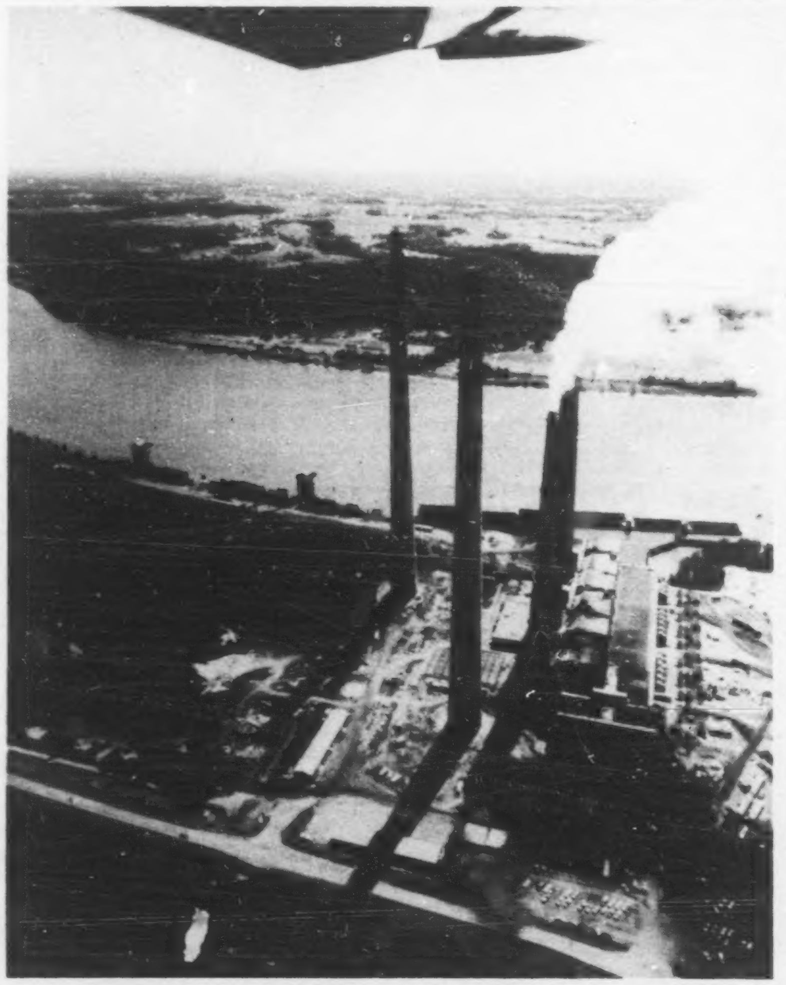
* * *

A tentative agreement was reached for **Armco Inc. to sell most of its West Virginia coal properties to Arch Mineral Corp.** of St. Louis for at least $320 million. Involved are some 330 million recoverable tons of high-quality metallurgical and steam coal on developed property including 16 mines, three of them surface operations, and six coal preparation plants. Present capacity is more than 5 million tons annually, and processing capacity is more than 6 million tons per year.

* * *

Coal industry unemployment reflects a larger national problem: **the decline of U.S. basic industries, Richard**

(Continued on page 2)



Congress Makeup May Affect Acid Rain Bill

TALL UTILITY SMOKESTACKS thought by environmentalists to disperse sulfur dioxide over thousands of miles are the targets of acid rain legislation that would require utilities in 31 states to reduce their emissions 8 million tons in 10 years. The coal industry fears such legislation will force use of scrubbers, cutting demand for coal. Those fears may be justified with the new lineups of key House and Senate committees with Clean Air Act jurisdiction, observes Steve Marcy in this issue's Focus starting on page 4.

Congress Delays Reopening Rail Rate Discussions

By Steve Marcy

WASHINGTON — Congress is taking a "wait and see" attitude for now toward giving coal mines dependent on a single railroad a better chance at negotiating rail rates.

The coal industry has been clamoring the last two years for a reopening of the Staggers Act to better define the Interstate Commerce Commission's obligation to intervene on the behalf of "captive" coal mines.

But sources on the House Energy and Commerce Subcommittee on Transporation and Commerce told *Coal Industry News* the panel would await the outcome of oversight hearings sometime this spring before deciding whether to tamper with the Staggers Act at all.

The situation is much the same in the Senate. "The Staggers Act was one of those things that was bitterly fought the last time — on both sides," a Senate Commerce Committee source said. "I don't think people will be willing to reopen those issues unless it becomes absolutely necessary."

But the coal industry is more optimistic about its overall chances. "The timing in 1983 is pretty good," observed one industry source. "They (Congress) shouldn't be so involved in the budget and economy as, you'll remember, they were last year.

"More Sensitized"

"I also think they're becoming more sensitized to the importance of holding down transporation costs, particularly with respect to coal, and the benefits of competition," he continued.

"Last year, the case made for eminent domain for coal pipelines put out enough information about the implications of railroad rates for (Congress) members to think they have to consider themselves seriously. We've also gotten some relief from the 1979 attitude that the whole rail industry was going under when the Rock Island col-

(Continued on back page)

Glance at Earnings Shows Why Coal is in Slump

By Gene Smith

NEW YORK — The coal industry has problems. All it takes to see why is a glance at fourth quarter and full-year results of companies even remotely connected with it.

Steel earnings were the worst since the Depression. The aluminum companies were only slightly less worse. Railroads were generally weak, with coal one of the few cargos that was close to 1981 levels. Chemical companies were way down, and equipment makers and suppliers had little to crow about. Oil company earnings suffered compared with recent years.

Electric utilities — especially those that burn coal to any extent — were among the few categories to improve over 1981. There were also quite a few reports that singled out coal operations for generally strong performances.

North American Coal Corp. earned a record $14.69 million, or $4.51 per share, on sales of $482.98 million and 15.14 million tons of coal. This compared with $618,000 net on sales of $445.17 million and 12.61 million tons in 1981.

In the fourth quarter, however, North American lost $2.68 million on revenues of $116.8 million, and tonnage sales dipped to 3.7 million from 3.8 million. Company president Otes Bennett Jr. said that earnings suffered from $7.01 million, or $2.15 per share, after-tax expenses from permanent closing of Powhatan No. 3 Mine.

Cites "Drastic Reduction"

Pittston, the nation's leading coal exporter, showed a fourth quarter loss of $35.9 million due to "drastic reduction" in demand and mild weather. A year earlier, Pittston reported earnings of $27 million. Revenues fell to $592.8 million from $637.4 million a year ago.

For the full year, Pittston lost $11.69 million on revenues of $2.42 billion. This contrasted with 1981 net income of $42.7 million and revenues of $2.23 billion. Tonnage sales for the year were down 46 percent and the company warned that production had been cut in the final quarter in anticipation of "a continuing decline in demand."

Eastern Gas and Fuel Associates showed record earnings from continuing operations in 1982. Revenues were at a new high of $1.33 billion against $1.13 billion a year earlier. Net rose to $70.8 million from $61.5 million. The strong performance was in spite of the March 1982 closing of its Philadelphia Coke subsidiary that produced a non-recurring first quarter charge against net of $4.65 million.

The report pointed out that coal pre-tax income reached $51.5 million, almost double the $26.4 million of 1981. Full-year production of coal rose to 12.9 million tons from 8.7 million in 1981, with western coal output at 579,000 tons against 148,000 tons due to addition of a new mine.

Results of Utilities

Among the utilities, Virginia Electric and Power showed a 12 percent gain in share earnings to $1.98 a share as its 12 coal-fired generating units set a new performance record. Coupled with its nuclear power generation, the utility cut its oil-fired generation by 4 percent.

Detroit Edison's 1982 net rose to $181.5

(Continued on page 3)

INSIDE

FINANCIAL RESULTS posted by coal and related companies for 1982 contained some bad news. But there were also bright spots that should not be overlooked. **Editorial on page 10.**

ALUMINUM HOPPER CARS that offer greater capacity and lighter weight than their steel counterparts will be ready for action when the current downturn ends, reports Gene Smith **on page 11.**

ENVIRONMENTALISTS, feeling sadder and wiser after two years battling the Reagan administration on strip mining and clean air rules, are starting to feel the congressional tide shift in their favor, notes Steve Marcy in **Washington, FYI on back page.**

Fueled by Speculation, Transportation Issues Lead a General Gain

NEW YORK — The 79 stocks that comprise *Coal Industry News's* list of coal-related issues wound up the week ended Feb. 4 generally higher. Only 16 issues declined.

All seven transportation issues posted gained 1 point or more, with Burlington Northern up a hefty 4-1/8 and Norfolk Southern up 3-3/4. Burlington Northern reported gains of 2.9 and 4.3 percent in fourth quarter and calendar year earnings although its oil, gas, coal and minerals operations produced losses for the final three months. Norfolk Southern, however, had a 17.8 percent drop in 1982 net income on a 6.5 percent slip in revenues.

Fueled by speculation fever, the Dow Jones Transportation Index gaimed 24.70 points, or 5.37 percent, and closed the week at 485.07, its highest level since the index was revised in 1970.

The seven user stocks in the list also wound up the week with gains of 3/4 (Alcoa) to 5-1/2 for Kaiser Steel. The latter is being traded upward in anticipation of possible takeover, while the aluminum issues gained slightly on the promise of some pickup in production and sales.

North American Coal was down 3/4 despite its report of record 1982 earnings. However, the company was quick to point out that the fourth quarter produced a loss of $2.68 million and tonnage sales dipped to 3.7 million from 3.86 million tons in the like 1981 quarter.

Pittson was also off 3/4 after reporting a fourth quarter loss of $35.9 million which was attributed to "drastic reductions" in demand.

Nine of the 35 coal companies in the list were off in a general weakening of strength amid continuing reports of reduced output.

Seven of the 30 user stocks fell during a week which saw the Dow Jones Industrial Average move ahead 13.16 points, or 1.24 percent, to 1077.91. In the same week, utility stocks in the Dow Jones list gained 1.43, or 1.16 percent, closing at 125.05.

Among user stocks in the *Coal Industry News* list, National Mine Service fell 2-5/8 to close at 9-1/4, following the expected takeover of 51 percent of outstanding shares by Anderson Strathclyde.

February 4, 1983

company	sales 100s	wks. high	wks. low	last	net chg
Coal Companies					
Amax	x11053	25⅝	23½	24½	+¼
AEIPw/a	x17696	19½	18⅜	18½	-¼
AshlOil/b	1598	29¼	27½	28⅛	-⅝
BethStl/c	x6734	20	19	19⅞	+¼
Boeing/d	15595	w38	35⅛	38	+2¾
DuPont/e	7397	41	39⅛	40¾	+1¾
EastGF	1931	22⅜	21⅝	21⅞	+⅜
ElPaso	5757	20¾	20¼	20¾	+¼
EqtLf/f	...	...	...	...	...
Exxon/g	x59083	30¼	29¼	29⅝	⅜
GenEl/h	22537	w103⅝	99¼	100½	+⅞
Grace/i	3202	41¼	39¾	41	+1
GulfOi/u	x23660	31⅛	29¼	31	+1½
Hanna/j	1201	21⅝	19¼	20⅛	-1¼
KerrMc	3152	29¾	28¼	29½	+½
Mapco	x9734	23⅜	22¼	22⅜	-⅛
Mobil	x22236	27½	25	27	+1½
MonPw/k	1944	26	25⅛	25½	-⅜
Newmt/l	3680	59⅝	55½	56½	-1⅛
NACoal	141	27¼	26¼	26¾	-¾
OcciPet/m	8400	20⅛	19⅛	19¼	-¾
PacPw/n	2619	21⅝	20⅞	21½	+⅜
PhilPet	x13012	32¾	30	32⅝	...
Pittstn	2741	15⅛	14	14⅝	-¾
ShellO	2461	39⅝	36⅞	39½	+⅞
StOilCl/o	x25204	33¾	30⅞	33⅝	+¾
StdOOh/p	14910	41	35¼	40⅝	+1⅜
SunCo	x3608	31⅞	30¼	31½	+½
Texaco	x25686	32¼	30¾	31¾	+⅜
TexUtil	12394	23⅝	22⅝	23½	+⅝
USSteel	x8555	20¾	20	20½	+¼
UtaPL	1340	22⅜	21⅝	22⅛	+⅜
WaltJm	2563	34⅞	32¼	34⅞	+¾
West	x250	20¼	19⅞	20⅛	+⅛
William/q	7068	21⅛	18⅝	20¾	+1¾
Suppliers					
ACF	645	34¼	33	34	+1⅛
AllisCh	1105	12½	11¾	11¾	-⅛
BucyEr	1894	16⅝	15⅝	16¼	+⅜
CatrpT	9514	43¼	41	42¾	...
Chryslr	13737	17¾	16⅛	16¾	-½
CmbEn	3135	37⅝	35⅝	37¼	+1⅜
DowCh	12151	29⅝	27¼	29⅝	+1¼
Dravo	x1127	12½	11¾	12½	+⅝
Dresr/r	12961	18⅝	17⅛	18½	+⅞
FMC	2275	36¼	34½	36	+¼
Firest	18762	19½	18⅛	19	+¾
Fluor/s	5419	23⅛	22⅛	22¾	-⅛
FordM	15603	40⅛	38½	39⅛	+⅛
GTE/t	17607	42¼	39⅝	40½	-1½
GMot	18380	63⅝	60⅝	61⅞	+⅛
GTire	x2738	33¾	31¼	33½	+2⅞
Gdrich	2641	31¾	30⅝	31¾	+⅛
Goodyr	5747	33⅞	32	33⅝	+⅝
IngerR	1890	42¾	41½	42¾	+¾
IntHarv	49280	7½	4⅝	5¾	+1⅛
JoyMfg	2551	24⅝	22¾	24	...
Kenmt	x1067	28⅝	25¾	27⅛	-1
McDnD	6408	w46⅛	42⅝	45⅞	+3⅛
NMineS	516	12⅛	9	9¼	-2⅝
Pennwlt	369	31⅛	30⅛	30⅞	-⅜
RshCot	x955	16⅞	14¾	16½	+1½
Tenneco	x7932	33¾	31⅞	33¾	+1⅛
UnCarb	x6137	56¾	54½	56¾	+2⅝
WestgE	x13403	w47⅞	43½	47½	+3½
WheelF	366	55	53	53¼	-1¾
Transportation					
BrlNth	x6485	w65⅞	61¼	65⅞	+4⅛
CSX	5613	54⅝	50	54½	+1½
CNWst	745	26½	24⅛	26⅛	+1⅜
ICInd	1108	38	36¾	37¼	+⅜
NorSo	x6649	56⅞	52	55⅞	+3¾
SFeInd	7419	24⅝	22⅛	24⅝	+1¼
UnPac	9662	47¾	44	47½	+1
Users					
Alcoa	x9276	33	31⅜	32¾	+¾
InldStl	x3746	27⅞	25⅝	27⅞	+1⅝
KaisCe	470	25	23	23⅞	+1
KaisrSt	6904	35	29⅛	34½	+5½
NatlStl	9516	21¾	19½	21¼	+1¾
RepStl	5558	19	16¾	18¾	+2¼
WhelPit	362	18	16⅞	18	+1

a/owns Central Ohio Coal, b/owns 50 percent of Arch Mineral, c/owns Bethlehem Mines, d/owns 15 percent of Peabody Holding Co., e/Owns Conoco and Consolidation Coal, f/Owns 5 percent of Peabody Holding Co., g/owns Exxon Coal, h/owns Utah International, i/owns 50 percent of Colowyo Coal, j/owns 50 percent of Colowyo Coal, k/owns Western Energy, l/owns 27.5 percent of Peabody Holding, m/owns Island Creek Coal Co., n/owns Nerco, o/owns 20 percent of Amax, p/owns Old Ben Coal Co., q/owns 27.5 percent of Peabody Holding Co., r/owns Jeffrey Mining, s/owns 10 percent of Peabody Holding Co., t/owns American Mine Tool, u/owns Pittsburg and Midway Coal Mining Co., w/new 52-week high, x/ex-dividend and sales in full.

Chessie's Refund Plan

CHARLESTON, W.Va. — Chessie Systems Railroads announced a new advance and refund policy for sidetracks at the coal mines it serves.

According to John T. Collinson, president of the CSX Corp. unit, the policy aims to enhance refunds by the carrier to producers for sidetracks at their mines capable of loading 7,000 tons or more at a time.

Refund amounts under the new policy will be improved by almost 300 percent, he said.

Collinson said Chessie is currently reviewing some of its coal transportation policies to encourage more unit train coal movements.

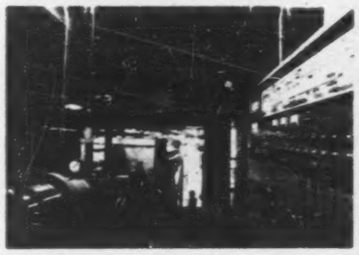
What is Laribee's Salt Cured Cable and why does it belong in the mines?

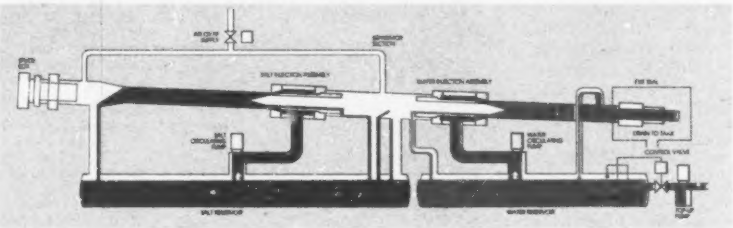
Salt Curing is a new cable-making technology that produces a tougher, denser, more abrasive-resistant power cable jacket. It's built to last longer in mine service, where cables get dragged, run over, cut by sharp rocks and used hard in a tough environment.

Cables are expensive. The longer they last the more you save. But far more important, they keep the mining machines running. If a cable goes down, production suffers. That's why cable reliability is so important, and why Laribee has spent millions of dollars to introduce salt cured mining cables to the U.S. market.

Why it's needed.

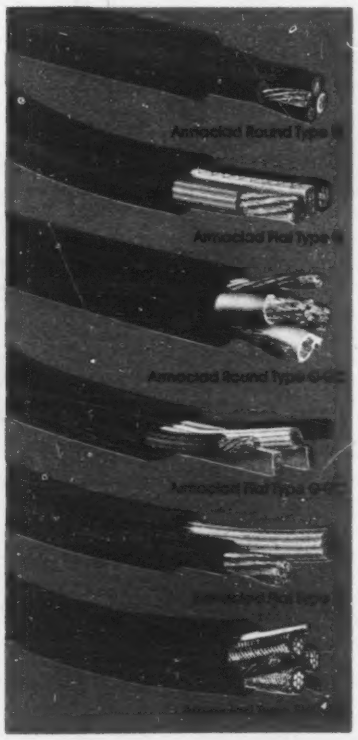
Rubber insulation and jacket material must be heated in order to vulcanize. Raw rubber is extruded around the copper conductors and vulcanized in place to form a tough, dense jacket. The trick is to do it precisely and uniformly. In past years, cable makers used high pressure steam, with varying degrees of success. Other cable makers used lead molds. Unfortunately quality lead curing requires long production times and orders are often backed up substantially. And when you need cable you need it *now*!

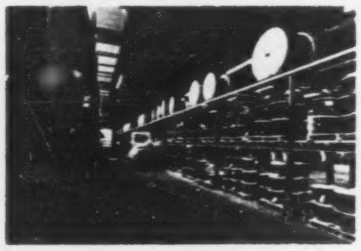




How it works.

In salt curing, the insulated conductors to be vulcanized are passed through a pressurized tube filled with molten salts. The temperature and pressure are independent of each other and can be precisely controlled to uniformly cure each rubber formulation and cable type. After vulcanization, the cable passes through cooling water, still under pressure, to insure a uniform cooling cycle.





What's the benefit?

Salt cured cable has a very smooth abrasion-resistant outer jacket. Voids, porosity and irregularities are entirely eliminated, producing a cable of very high quality. Electrical and physical characteristics are outstanding. Laribee salt cured cables are designed and manufactured to insure optimum reliability in mine service.

Best of all, they're readily available, in a wide variety of types and sizes, in lengths to suit your needs.

Laribee
wire mfg. co., inc.
101 Central Avenue, Farmingdale, NY 11735 (800) 645-9622 In N.Y. (516) 293-8660
Eastern Sales Agents: R. M. Wilson Company, 3434 Market Street, Wheeling, WV 26003 (304) 232-5860

FACTS & FIGURES

	WEEKLY		
	1/29/83	1/22/83	1/30/82
Production			
Bituminous, recent week	14,368	14,362	16,236
Bituminous, year to date	**57,941**	**64,446**	—
Anthracite, recent week	74	74	121
Anthracite, year to date	**309**	**460**	—
Railroad carloadings			
Bituminous, recent week	95,699	96,293	108,967
Bituminous, year to date	**294,296**	**433,574**	—
Anthracite, recent week	37	24	167
Anthracite, year to date	**127**	**594**	—

Production data in thousands of short tons.
Source: U.S. Dept of Energy, Energy Information Administration—Weekly Coal Report.

	WEEKLY		
	1/29/83	1/22/83	1/30/82
Production by states, bituminous and lignite			
Eastern			
Alabama	453	453	528
Georgia	—	—	—
Illinois	1,127	1,126	1,205
Indiana	526	525	593
Kentucky:			
Eastern	1,887	1,886	2,132
Western	666	666	816
Total, Xy.	**2,553**	**2,552**	**2,948**
Maryland	66	66	80
Ohio	661	661	760
Pennsylvania	1,288	1,288	1,632
Tennessee	133	133	185
Virginia	635	635	816
West Virginia	2,301	2,300	2,373
Total, Eastern	**9,743**	**9,739**	**11,120**
Western			
Alaska	14	14	15
Arizona	201	201	204
Arkansas	4	4	4
Colorado	321	331	371
Iowa	9	9	11
Kansas	15	15	15
Missouri	88	88	102
Montana	475	474	630
New Mexico	316	316	371
North Dakota	319	319	338
Oklahoma	92	92	104
Texas	593	593	612
Utah	294	294	278
Washington	72	72	96
Wyoming	1,812	1,811	1,965
Total Western	**4,625**	**4,623**	**5,116**
Total, United States	**14,368**	**14,362**	**16,236**

In short tons (000).
Source: U.S. Dept of Energy, Energy Information administration—Weekly Coal Reports.

	MONTHLY		
	12/82	11/82	12/81
Coal Labor			
All employees			
Coal Mining	206.0	217.5	252.2
Bituminous & Lignite	202.8	214.2	248.7
Production employees			
Coal mining	164.7	175.6	209.3
Bituminous & Lignite	161.8	172.7	206.2
Hours, weekly average			
Coal mining	39.5	38.3	42.7
Bituminous & Lignite	39.5	38.3	42.7
Earnings, hourly average			
Coal mining	13.19	13.10	12.38
Bituminous & Lignite	13.24	13.15	12.41
Earnings, weekly average			
Coal mining	521.01	501.73	528.63
Bituminous & Lignite	522.98	503.65	529.91

Source: U.S. Dept. of Labor, Bureau of Labor Statistics—Employment and Earnings.

	MONTHLY		
	11/82	10/82	11/81
Bituminous and Lignite			
Consumption			
Electric power utilities	47,699	46,248	46,873
Coal user stocks of coal			
Electric power utilities	171,335	170,181	156,360
Anthracite			
Consumption			
Electric power utilities	100	81	141
Coal user stocks of coal			
Electric power utilities	6,060	5,992	5,548

Note: Data give in thousands of short tons.
Source: U.S. Dept. of Energy Information Administration—Weekly Coal Report.

	11/82	10/82	11/81
Coal User Production			
Major district users:			
Electric utilities			
(Mil Kwh.)			
Monthly	95,547	93,779	94,841

	MONTHLY		
Price Indexes			
	12/82	11/82	8/82
Bituminous Coal and Lignite	105.0	105.1	104.8
Primary Products	103.5	103.4	104.1
Prepared	104.7	104.7	104.4
Steam electric utilities	105.9	105.7	105.1
North Appalachia	106.1	102.9	104.8
Spot	N.A.	N.A.	98.9
Contract	106.3	102.6	105.7
South Appalachia			
Contract	N.A.	99.4	98.2
Midwest	107.8	110.2	109.4
Contract	108.9	111.6	110.7
West	110.0	109.4	105.9
Contract	110.0	109.4	105.9
Metallurgical/coke producer	101.7	101.6	102.7
High volatile	100.2	100.0	100.8
North Appalachia	97.2	97.2	98.8
Contract	N.A.	N.A.	98.8
South Appalachia			
Contract	102.0	101.5	102.0
West	99.0	100.7	100.1
Low volatile	102.8	103.4	106.0
North Appalachia			
Contract	99.5	103.0	104.7
South Appalachia			
Contract	105.5	104.2	107.3
All other industrial	100.5	100.8	101.8
North Appalachia			
Contract	91.2	91.2	90.0
Midwest			
Contract	107.2	107.2	106.0
Unprepared (raw)	99.2	99.0	103.1
For preparation at other establishments	N.A.	N.A.	N.A.
For use without preparation	N.A.	N.A.	N.A.
Anthracite	154.0	154.0	153.8
Primary products	152.6	152.6	152.5
Prepared anthracite shipped	154.7	154.7	154.5
Stove	151.7	151.7	151.1
Chestnut	151.5	151.5	150.9
Pea	160.3	160.3	160.3
Buckwheat no. 1	149.0	149.0	149.0
Buckwheat no. 2	160.8	160.8	160.8
Buckwheat no. 4	143.9	143.9	143.9
Buckwheat no. 5	112.0	112.0	112.0

N.A.—Not Available

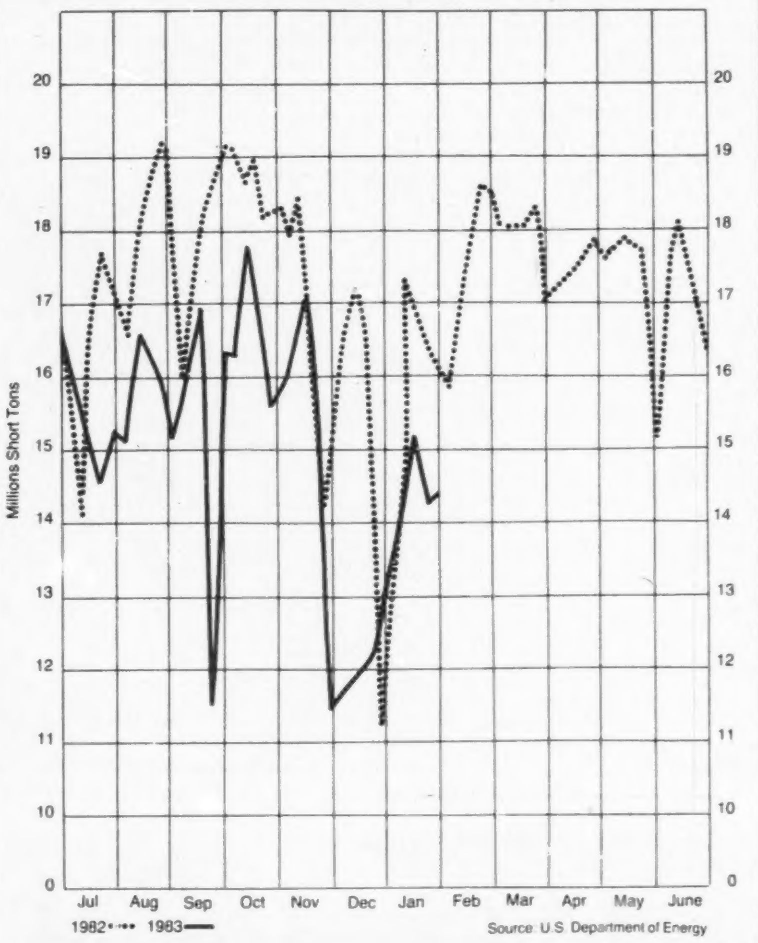
Source: Bureau of Labor Statistics, Dept. of Labor.

Note: The Bureau of Labor Statistics has recalibrated its producer price index figures for bituminous and lignite, as well as reorganizing its pricing categories. The new index is based on a compilation of average prices for December, 1981, and that month appears as 100. The former index used June, 1976 prices as its base.

Domestic

Latest U.S. Production Figures

Estimated Bituminous Coal and Lignite Production



Source: U.S. Department of Energy

OUTPUT of bituminous coal and lignite for the week ended Jan. 29 was 14.368 million short tons, the Energy Information administration reported. That's a 6,000-ton increase, or 0.04 percent, from production the previus week. Production for the corresponding week in 1982 was 16.236 million short tons. Year-to-date production reached 57.941 million short tons, down 10.1 percent from production in the same period of 1982.

Exports & Imports

	Quantity in short tons			Dollar Value			Avg. Value per short ton		
Bituminous coal, low volatile blends to make coke No. 5213110	12/82	11/82	12/81	12/82	11/82	12/81	12/82	11/82	12/81
Belgium	103,620	192,408	468,822	5,986,098	12,436,106	22,811,735	57.76	64.63	48.65
Brazil	329,061	260,833	434,193	14,443,340	14,465,188	17,899,509	43.89	55.45	41.22
Canada	104,333	387,906	652,854	7,162,882	26,399,452	37,610,753	68.65	68.05	57.60
France	225,273	218,893	706,906	12,702,940	11,175,562	37,928,828	56.38	51.05	53.65
Germany, F.R. (West)	125,745	—	265,898	6,873,353	—	10,835,265	54.66	—	40.74
Italy	715,899	543,308	1,088,193	32,752,442	26,001,417	50,450,041	45.75	47.85	46.36
Japan	777,756	1,315,219	2,558,195	45,882,441	78,643,079	147,810,251	58.99	59.79	57.77
Netherlands	83,830	147,170	260,985	4,863,945	9,257,732	14,903,230	58.02	62.90	57.10
Spain	231,570	223,531	224,512	10,166,975	10,388,575	11,531,326	43.90	46.47	51.36
Sweden	85,084	79,381	83,381	3,714,928	3,704,675	3,441,986	43.66	46.66	41.28
United Kingdom	104,250	—	217,391	5,864,063	—	11,922,133	56.25	—	54.84
Yugoslavia	134,239	76,898	67,694	8,104,512	5,000,060	3,958,919	60.37	65.02	58.48
Total, above	3,020,660	3,445,547	7,029,024	158,517,919	197,471,846	371,103,976	52.47	57.31	52.79
Total, other nations	643,394	524,127	587,957	36,539,284	31,205,801	30,690,249	56.79	59.53	52.19
Total, all nations	**3,664,054**	**3,969,674**	**7,616,981**	**195,057,203**	**228,677,647**	**401,794,225**	**53.23**	**72.72**	**52.74**

	Quantity in short tons			Dollar Value			Avg. Value per short ton		
	12/82	11/82	12/81	12/82	11/82	12/81	12/82	11/82	12/81
Bituminous coal, others No. 5213120									
Belgium	8,693	131,159	218,072	391,358	4,959,468	8,207,448	45.01	37.81	37.63
Canada	595,532	1,609,983	1,783,786	29,734,911	80,250,571	79,955,096	49.92	49.84	44.82
China, Taiwan	183,148	123,825	346,516	8,357,286	5,301,886	15,229,622	45.63	42.81	43.95
Denmark	49,851	189,870	226,935	1,481,112	10,452,508	13,174,437	29.71	55.05	58.05
Finland	135,739	185,207	62,077	5,743,047	7,658,434	2,815,843	42.30	41.35	45.36
France	507,581	520,446	172,691	21,125,688	22,754,991	7,055,827	41.62	43.72	40.85
Germany, F.R. (West)	99,981	97,340	195,146	5,692,635	6,120,068	11,181,334	56.93	62.87	57.29
Italy	304,125	424,098	215,710	15,199,774	22,191,398	11,350,600	49.97	52.32	52.61
Japan	191,028	143,625	356,771	9,323,637	7,115,678	18,112,814	48.80	49.54	50.76
Netherlands	126,126	175,804	342,712	7,230,356	9,515,151	16,993,061	57.32	54.12	49.58
Spain	310,486	177,370	233,291	12,686,989	7,433,664	11,292,924	40.86	41.91	48.40
Total, above	2,512,290	3,778,727	4,153,707	116,966,793	183,753,817	195,369,006	46.55	48.62	47.03
Total, other nations	292,190	251,072	500,257	13,568,536	10,948,814	25,568,007	46.43	43.60	51.10
Total, all nations	**2,804,480**	**4,029,779**	**4,653,964**	**130,535,329**	**194,702,631**	**220,937,013**	**46.54**	**48.31**	**47.47**
Lignite No. 5213130									
Total, all nations	**317**	**362**	**1,411**	**61,516**	**63,153**	**275,458**	**194.05**	**174.45**	**195.22**
Coal coke for use as fuel No. 5213148									
Total, all nations	**28,510**	**59,774**	**129,899**	**2,547,439**	**3,638,655**	**7,859,970**	**89.35**	**60.87**	**60.50**
Petroleum coke, except calcined No. 5213150									
Canada	79,490	128,802	55,659	1,952,487	4,712,130	3,916,500	24.56	36.58	70.36
Japan	242,157	417,427	128,742	8,221,003	16,696,182	6,474,825	33.94	33.99	50.29
Netherlands	197,552	113,735	75,234	6,505,018	2,569,874	4,556,274	32.92	22.59	60.56
Total, above	519,199	659,964	259,635	16,678,508	23,978,186	14,947,599	32.12	36.33	57.57
Total, other nations	565,578	497,313	445,922	15,277,353	13,808,271	22,745,090	27.01	27.76	51.00
Total, all nations	**1,084,777**	**1,157,277**	**705,557**	**31,955,861**	**37,786,457**	**37,692,689**	**29.45**	**32.65**	**53.42**
Compositions for fuel No. 5213160									
Total, all nations	**243**	**32,881**	**1,067**	**73,626**	**1,037,637**	**86,122**	**302.98**	**31.75**	**80.71**
Anthracite No. 5213170									
Korea Rep. (South)	35,649	37,478	35,902	1,228,920	1,220,600	3,423,032	34.47	32.56	51.16
Total, all nations	**43,186**	**106,603**	**100,553**	**1,673,066**	**6,054,223**	**5,721,688**	**38.74**	**56.79**	**56.90**

C2350-1 4/11/83

FOCUS:
PREPARATION & HANDLING
Starts on Page 4

COAL INDUSTRY NEWS

Coal's National Newspaper

FEBRUARY 28, 1983 | 1301 Pennsylvania Ave., N.W., Washington, D.C. 20004 | Volume 7, Number 4 | $1 a Copy; $24 a Year

BULK RATE
U.S. POSTAGE
PAID
Permit No. 332
Des Plaines, IL 60018

Taking Good, Close Look at Coal Preparation

JUDGING THICKNESS OF THE CAKE in the clean coal recovery filter at the Mary Lee coal preparation plant near Birmingham, Ala., are Ken Smith, left, of Calgon Corp. and wash operator Bud Aaron. Cooperation from mining to the handling, equipment, water treatment and plant management remains the key to successful coal preparation and handling. For a closer look, turn to focus on page 4.

NEWS ROUNDUP

Oil prices collapsing even to $26 for the OPEC benchmark would have only a minor impact on coal, maintain energy economists at Chase Manhattan Bank. In a study titled "The World Coal Outlook to the Year 2000" released last week, they saw **more importance in the level of world economic activity associated with such a price collapse.** Collapsing oil prices were expected to slow down that activity, they said, with projected 1985 seaborne coal trade consequently dropping from 231 million metric tons in 1985 under the high-oil price scenario to 190 million.

* * *

An inquiry into **the loss of the coal ship Marine Crewman that took 33 lives** was launched in Norfolk, Va., by a joint investigative panel of Coast Guard officers and representatives of the National Marine Transportation Board. Owned by Marine Transport Coal Co. of New York, the ship was making its weekly trip Feb. 12 up the East Coast from Hampton Roads to Somerset, Mass., with 27,000 tons of coal when it went down in a violent gale. Only three survivors were taken from the rough seas by Coast Guard and Navy rescuers.

* * *

The nomination of **J.J. Simmons III to be undersecretary of interior breezed through the Senate Energy Committee** this past Tuesday by a 19-0 vote. A former Amerada Hess executive, Simmons will succeed Donald P. Hodel who became energy secretary. Sources say **the nomination will reach the Sen-**

(Continued on page 2)

American Coal Foundation Pleased With Early Responses to Promotion

By Gene Smith

NEW YORK — "I'm excited and the board is, too."

That's the way Ben Lusk, executive director of the American Coal Foundation, reacts to questions as to the success of the group's million-dollar advertising campaign aimed at promoting the use of coal.

He indicated he has no doubts that the drive — built on the theme "Rediscover coal. The modern energy miracle that's old as the hills" — will be continued and may even be expanded.

"The next step will be raise another million dollars so that we can start up again in September," Lusk told *Coal Industry News*. *"I think we'll continue with the emphasis still on television, but that'll be up to our operating committee. TV has proven itself. For just about a million dollars, we've had a phenomenal response."*

150 to 200 Calls Daily

Lusk reported that calls to the 800-number given on TV have been running at "a rate of 150 to 200 a day and we've gotten a lot of mail, probably 50 to 100 requests a day for our information booklet."

The campaign got under way at the height of the college football bowl season with the initial spot running on Dec. 29 during the telecast of the Liberty Bowl from Memphis via the Entertainment and Sports Programming Network (ESPN).

"The really amazing thing is that none of the calls — maybe one or two out of a thousand — has been negative," Lusk observed.

He acknowledged that most of the inquires have been for information about possible home use of coal but he attributed that to the combination of the use of a detergent-like package dominating the scene and the time of the year when heating bills are highest.

The calls and letters have been coming from all over, according to the coal foundation director. He was particularly pleased that many were from non-coal producing regions, such as the Northeast; the Far West, including California, and the Deep South. ("I even took one call from a man who is building a home in Florida and he wanted information on putting in a coal bin. Why he'd want a coal furnace in Florida is somewhat far-fetched though," Lusk added in an aside.)

Those who respond to the ad, either the TV or print version, are sent a fact book on coal and their names and addresses are entered into a computerized list for future reference.

The campaign, developed by the Pittsburgh office of Burson Marsteller, is concentrated on TV spots during sports telecasts. It is scheduled to run till the end of March. There is a schedule of 10 print ads in Gannett's national newspaper, *U.S.A. Today*. Lusk indicated that he was particularly pleased with the response to a coupon that appeared in various editions of that newspaper.

Canada and U.S. Remain Split on Acid Rain Impact

By Steve Marcy

WASHINGTON — A joint U.S.-Canadian team of scientists trying to resolve differences over acid rain may have instead deepened the dispute.

The Canadian government released an exhaustive three-volume report last week of the scientists' findings, with the U.S. and Canadian teams clearly split over how severely acid rain affects aquatic life.

The Canadians contend that acid deposition reduced to the rate of 20 kilograms per hectare per year — about 18 pounds per acre — will protect all but the most sensitive aquatic eco-systems. The United States agrees no effects have been found at levels below 20 kilograms per hectare and concludes that some effects are noticeable at loadings between 20 and 30 kilograms per year, with long-term damage setting in at loadings above 30 kilograms

But the U.S. team says that because no precise cause-and-effect relationship can be established between a potential source and downwind pollution, action is premature. Also, says the U.S. team, the Canadians may have underestimated the effects of local surces of dry deposition in the Northeast on area streams and rivers.

The Key Question

"The question is," says George Rejhon, environmental counselor of the Canadian Embassy here, "do those facts, as they are set out (in the report), allow you to reach the conclusion that loading reductions below 20 kilograms per year is what is needed?"

The Candian answer is yes, and the way to achieve those reductions in acid depostion is to reduce sulfur dioxide emissions,

(Continued on page 2)

INSIDE

A NUCLEAR FACILITY proposed by the Britain's national electric company is the latest government headache for miners there and their union leader, Arthur Scargill. Others are protesting the proposed power plant as well, however. **British Report on page 2.**

THE PROPOSED AQUATRAIN that would move western coal to power plants and coastal ports will be examined at soon-to-be-scheduled Bureau of Reclamation hearings. That and other **Reports from our Correspondents on page 3.**

SPRAGUE ENERGY CO. is poised for a rebound in northeastern coal markets, with expectations of expanded industrial use, reports Gene Smith in a **Company Profile on page 6.**

Coal Issues Fare Well Amid Oil Price Slump

NEW YORK — Coal stocks in *Coal Industry News'* list of 79 coal-related issues have fared better than might have been expected in light of the declining oil prices.

Thirteen of the coal company issues out of the 35 listed were able to post gains in the week ended February 18. They ranged from fractional gains of one-eighth each for Kerr-McGee, Mapco, Shell Oil, Utah Power and Light and Westmoreland to as much as a point for Eastern Gas and Fuel and General Electric. In general, those companies that are basically in oil were off in market trading due to the present mess among OPEC nations.

Those that are mostly coal-oriented such as Eastern Gas and Fuel, North American Coal, Pacific Power and Light, Utah Power and Light and Westmoreland, seemed to resist the downward pressure. The strength in General Electric was traced to the recommendation of its board that the stock be split two-for-one and the dividend increased if the action is approved. It has been a standout performer in recent sessions.

Equipment suppliers remained on the fence, with 13 gainers and two unchanged out of *Coal Industry New's* list of 30. There seemed to be little or no reason for this standoff, other than just moving along in step with the market.

In this particular week's trading, the Dow Jones Industrial Average gained 6.32 to close at 1092.82. This represented a gain of 0.58 percent in the week's trading as the market tried in vain to close above the psychological barrier of 1100.

Four of the list's 7 transportation issues closed higher during the week in concert with the lofty level of the Dow Jones Transportation Index. That carefully-watched indicator added a slight 0.76 point in the week ended Feb. 18 to close at 480.70, a gain of 0.16 percent.

Two on the user list of 7 issues — Inland Steel, up 3/8 and Kaiser Steel, up 3/4 — posted gains in the same trading week. Kaiser's improvement was traced to "friendly" negotiations with the group that is seeking a stronger position in the ailing company but indicated no intention of trying any strong arm tactics to insure its moves.

After the long Presidents' Day weekend, the market got off to a bad start in trading Feb. 22. The Dow Jones average was off as much as 14 points near the close with the decline traced to uncertainties over oil prices and the future of OPEC in the coming months. Analysts turned bearish on those issues in light of the rapidly developing price cuts that threatened to touch off a real price war among OPEC members and could threaten world economics.

February 18, 1983

company	sales 100s	wks. high	wks. low	last	net chg
Coal Companies					
Amax	6073	25⅜	23½	24	-1¼
AEIPw/a	13816	18¼	17¾	18	-¼
AshlOil/b	915	28½	27⅝	27⅞	-⅛
BethStl/c	3149	21⅛	20¼	20½	-½
Boeing/d	13810	37	35⅜	35¾	-1¼
DuPont/e	9401	41½	39½	39¾	-1⅛
EastGF	1977	21⅛	20⅛	21	+1
ElPaso	2965	28¾	17⅜	17½	-1¼
EqtLf/f	...	...	...	...	...
Exxon/g	43767	30	29⅛	29½	-½
GenEl/h	11809	w104⅞	100⅜	103¾	+1
Grace/i	6661	42⅞	40¼	40⅜	-1⅜
GulfOi/u	30057	34¼	32½	33⅜	+¾
Hanna/j	x2093	21½	19¼	20	-⅜
KerrMc	4213	33	31	31⅝	+⅛
Mapco	2697	23¼	22½	23	+⅛
Mobil	22064	28⅞	26⅞	27⅜	-⅝
MonPw/k	2700	26¼	25⅛	25½	-½
Newmt/l	x2954	58⅝	55½	56⅛	-1½
NACoal	157	29¼	27¾	29	+¼
OcciPet/m	8965	19¾	19⅛	19¾	+¼
PacPw/n	2286	21⅞	21⅛	21½	+⅜
PhilPet	11840	32¾	30⅝	31	-1
Pittstn	3043	14¾	14	14⅛	-⅜
ShellO	2655	40⅛	39	39⅞	+⅛
StOilCl/o	19177	35¾	34⅛	35⅜	+¾
StdOOh/p	11270	w42⅜	40¾	41⅜	-⅛
SunCo	1705	32½	31⅛	31½	-¾
Texaco	16001	32⅜	31¼	32	-¼
TexUtil	25684	23¼	22¼	23⅛	+¼
USSteel	6702	22¾	22	22¾	-⅛
UtaPL	2942	22⅝	22⅛	22½	+⅛
WaltJm	2348	37⅛	35	35	-1⅛
West	499	20⅛	18¾	19⅞	+⅛
William/q	3899	20⅝	20⅛	20¼	-⅜
Suppliers					
ACF	1941	33¾	32¾	33⅛	-¾
AllisCh	1474	12½	11¾	12½	+½
BucyEr	1687	16	15½	16	...
CatrpT	10366	46⅝	44⅝	44⅞	-⅝
Chryslr	12528	17⅛	16	16	-¼
CmbEn	3339	w39½	38	39⅛	+1
DowCh	13674	30⅛	29⅛	29⅝	-½
Dravo	787	14¼	13	13½	+⅜
Dresr/r	8044	19¼	17¾	18¼	-⅜
FMC	1203	36⅝	35⅛	36	-¼
Firest	4711	19	17⅝	18⅛	-¾
Fluor/s	3783	23¾	22⅞	22⅞	...
FordM	20041	w43	39½	40⅝	...
GTE/t	x15491	41⅜	39¼	39⅜	-½
GMot	16732	64⅜	61⅜	61¾	-¾
GTire	1069	34½	32⅛	32¾	-1
Gdrich	4394	35	32⅛	34¼	+2
Goodyr	38101	30⅛	28½	30	+1
IngerR	1827	46⅜	45	45½	+⅛
IntHarv	7994	7	6½	6⅞	+¼
JoyMfg	2238	24¾	23⅜	24¾	+1
Kenmt	401	29	27½	28½	+⅞
McDnD	8928	w49⅞	48⅛	49⅝	+1½
NMineS	184	9	7¾	8	-1
Penwlt	1844	w36¼	36	+1	
RshCot	708	16¾	15½	16½	+¾
Tenneco	10174	35⅝	34⅛	34⅞	+⅝
UnCarb	5221	60	57⅛	59	-¾
WestgE	11533	47⅞	43¾	44⅝	-2⅜
WheelF	N.A.	N.A.	N.A.	N.A.	N.A.
Transportation					
BrlNth	7118	w71½	68¾	69½	...
CSX	x4684	56⅜	54½	55⅛	+⅛
CNWst	826	w28¾	26¾	28½	+1⅛
ICInd	1241	w40⅝	38⅞	39⅜	+½
NorSo	7021	55⅞	53¼	54⅞	-¾
SFeInd	7869	23⅝	22	22½	-1
UnPac	5700	52	50	51⅝	+1⅛
Users					
Alcoa	5843	33¾	31⅝	32¼	-¾
InldStl	3226	29	28	28⅝	+⅜
KaisCe	1057	25⅜	24½	24⅞	-¼
KaisrSt	3449	36½	33¾	35½	+¾
NatlStl	987	21¾	19½	20	-1⅝
RepStl	x2458	21	20⅛	20¼	-⅜
WhelPit	199	19	17½	17½	-1

a/owns Central Ohio Coal, b/owns 50 percent of Arch Mineral, c/owns Bethlehem Mines, d/owns 15 percent of Peabody Holding Co., e/Owns Conoco and Consolidation Coal, f/Owns 5 percent of Peabody Holding Co., g/owns Exxon Coal, h/owns Utah International, i/owns 50 percent of Colowyo Coal, j/owns 50 percent of Colowyo Coal, k/owns Western Energy, l/owns 27.5 percent of Peabody Holding, m/owns Island Creek Coal Co., n/owns Nerco, o/owns 20 percent of Amax, p/owns Old Ben Coal Co., q/owns 27.5 percent of Peabody Holding Co., r/owns Jeffrey Mining, s/owns 10 percent of Peabody Holding Co., t/owns American Mine Tool, u/owns Pittsburg and Midway Coal Mining Co., w/new 52-week high, x/ex-dividend and sales in full.

Miller Heads Manfacturers Unit of AMC

WASHINGTON — Richard G. Miller Jr., president of Roberts and Schaefer Co. of Chicago, was elected chairman of the American Mining Congress' manufacturers division during its annual meeting.

It is the second time Miller has held this AMC post. He was previously manufacturers division chairman in 1974.

He succeeds C.A. "Tink" Campbell Jr., president of Goodman Equipment Corp., who remains as a governor.

An Illinois native, Miller attended Marshall University in Huntington, W.Va., where he received a Beachelor's of Science degree. After a four-year stint in the Navy, he joined Roberts and Schaefer, an engineering and construction firm that builds coal preparation plants, in 1946 and became president and chief executive officer in 1963.

When Roberts and Schaefer merged with Elgin National Watch Co. in 1969, Miller became vice president and director of the resulting company, Elgin National INdustries Inc. In 1972, he was elected president and chief executive officer of Elgin while retaining his posts at Roberts and Schaefer.

A member of the American Institute of Mechanical Engineers, Miller has served on AMC's board of governors since 1964.

Professional Services Directory

APPALACHIAN COAL SURVEYS
GEOPHYSICAL SERVICES - Slim Hole Logging Specialists
- COMPLETE LOGGING SUITES - density gamma neutron sonic electric temperature verticality
- COAL DENSITY LOGS - 1/2 inch primary spacing
- SEGREGATED OPERATORS - trained in interpretation skilled in troubleshooting

Contact:
Craig B. Clemmons C.P.G.S.
P.O. Box 17703
Pittsburgh PA 15235
Telephone (412) 243-3039

GEOLOGICAL CONSULTING - Experts in Modern Exploration Techniques
- FIELD MANAGEMENT & DRILL SUPERVISION
- COAL RESERVE STUDIES & DELTAIC MODELING
- PHOTOGEOLOGICAL INVESTIGATIONS
- PREDICTIVE GEOLOGY for MINING CONDITIONS
- GROUNDWATER MONITORING SYSTEMS

COMPUTER SYSTEMS ANALYSIS
ECONOMETRIC ANALYSIS
CORPORATE SIMULATION
FLETCHER data systems, inc.
1 S.E. 4th Ave., Suite 211
Delray Beach, FL 33444
305-278-8822

MDS MINING DATA SYSTEMS
A div. of Petroleum Data Systems, Inc.
Provides unique and efficient systems to help you manage your mineral properties and claims. Computer-based up-to-date economical practical systems designed and developed by landmen for operations of all sizes.
toll free 800-525-1631 or 303-839-5487 (in CO)
835 E. 18th St., Denver, CO 80218

The Norwest Group
NorWest
Consultants to the coal industry:
Surface & Underground Mining
Geology, Utilization
Coal Preparation & Handling
Marketing, Economics

Norwest
Resource
Consultants
Calgary, Alberta
403-237-7763
Denver, Colorado
303-773-6605
Salt Lake City, Utah
801-364-5343

MINING AND GEOLOGICAL ENGINEERS
400 Oliver Building
Mellon Square
Pittsburgh, PA 15222
(412) 562-1770
Telex No. 866361
JTB JOHN T. BOYD COMPANY
Denver, Colorado (303) 861-4339
Huntington, West Virginia (304) 697-5504
Houston, Texas (713) 658-8961
New York, New York (212) 370-1819

Gates&Fox Company, Inc.
UNDERGROUND CONTRACTORS SINCE [illegible]
Construction & Mining
Services - Engineering - Management
6030 KING RD. P.O. BOX 105
LOOMIS, CA 95650 (916) 652-7292

Gilbert/Commonwealth
Environmental Impact Assessment
Coal Analysis • Reclamation
Site & Facility Engineering
Engineers and Consultants
Jackson, MI (517) 788-3500
Denver, CO (303) 741-2600

North American Consultants, Inc.
NACI
Engineering
Feasibility Studies
Surface Mining
Underground Mining
Longwall Application
Coal Preparation
Mine Construction
Operations Management
Geotechnical Studies
Computer Application
Productivity & Safety Analysis
Geology
Exploration
Drilling Programs
Reserve Studies
Quality Analysis
Environmental
Mine Permitting
Hydrologic Studies
Reclamation
Soils/Land Use
Waste Disposal
Cultural Resources
Environmental Management
13140 COIT RD. DALLAS, TX. 214/644-5001

Pugliese & Associates, Ir
Coal Preparation Specialists
Consulting • Feasibility Studies
Project Management
Plant Planning and Design
21 Windermere Drive
Valencia, PA 16059
412-898-1620

DAVIS
INSTRUMENT MANUFACTURING CO., Inc.
513 E. 36th Street, Baltimore, MD 21218
301-243-4301
America's first & finest precision vane Anemometers have been used in coal mines for over 60 years to insure meeting ventilation requirements.

MACKS-LIFE CERAMICS
MACK'S MOTOR CO., INC.
1583 NORTH MAIN STREET
WASHINGTON, PA. 15301
(412) 222-5740
- CENTRIFUGE REPAIRS
- CUSTOM FABRICATION AND CERAMIC LINING
- AUTHORIZED HUMBOLDT WEDAG SERVICE CENTER
- QUALITY WORKMANSHIP • FREE PICK-UP AND DELIVERY

Paul & McDonald Associates, Inc.
AIR POLUTION
CONTROL TECHNOLOGY
- Feasibility Studies
- Coal Sourcing
- Impact of Coal and Ash Properties on Boiler Operation and Air Polution Control

Two Riverside Office Plaza, Suite 106
Birmingham, Alabama 35244
205-988-8192

BRITISH MINING CONSULTANTS (USA) LTD.
Consulting engineers in mining, materials processing, general engineering and management services.
P.O. Box 2338, Fairfax, Va. 22031
703-691-9223

* * * * *

For DIRECTORY information, call
toll free 800-368-5803
or 202-638-5159 (Wash., D.C.)

* * * * *

FACTS & FIGURES

	WEEKLY		
	2/12/83	2/5/83	2/13/82
Production			
Bituminous, recent week	14,348	14,307	16,442
Bituminous, year to date	**86,596**	**96,687**	—
Anthracite, recent week	74	74	122
Anthracite, year to date	**457**	**699**	—
Railroad carloadings			
Bituminous, recent week	95,741	95,491	111,143
Bituminous, year to date	**485,528**	**651,712**	—
Anthracite, recent week	147	142	138
Anthracite, year to date	**416**	**878**	—

Production data in thousands of short tons.
Source: U.S. Dept of Energy, Energy Information Administration—Weekly Coal Report.

	WEEKLY		
	2/12/83	2/5/83	2/13/82
Production by states, bituminous and lignite			
Eastern			
Alabama	452	451	535
Georgia	—	—	—
Illinois	1,131	1,128	1,220
Indiana	525	523	601
Kentucky:			
Eastern	1,883	1,878	2,159
Western	665	663	826
Total, Ky.	**2,548**	**2,541**	**2,985**
Maryland	66	65	81
Ohio	660	658	770
Pennsylvania	1,286	1,283	1,652
Tennessee	133	132	188
Virginia	634	632	826
West Virginia	2,297	2,291	2,403
Total, Eastern	**9,732**	**9,704**	**11,261**
Western			
Alaska	14	14	15
Arizona	201	200	207
Arkansas	4	4	4
Colorado	321	320	375
Iowa	9	9	11
Kansas	15	15	15
Missouri	88	87	103
Montana	474	473	638
New Mexico	315	314	375
North Dakota	318	317	343
Oklahoma	92	92	105
Texas	592	591	620
Utah	293	292	282
Washington	72	72	98
Wyoming	1,808	1,803	1,990
Total Western	**4,616**	**4,603**	**5,181**
Total, United States	**14,348**	**14,307**	**16,442**

In short tons (000).
Source: U.S. Dept of Energy, Energy Information administration—Weekly Coal Reports.

	MONTHLY		
	12/82	11/82	12/81
Coal Labor			
All employees			
Coal Mining	206.0	217.5	252.2
Bituminous & Lignite	202.8	214.2	248.7
Production employees			
Coal mining	164.7	175.6	209.3
Bituminous & Lignite	161.8	172.7	206.2
Hours, weekly average			
Coal mining	39.5	38.3	42.7
Bituminous & Lignite	39.5	38.3	42.7
Earnings, hourly average			
Coal mining	13.19	13.10	12.38
Bituminous & Lignite	13.24	13.15	12.41
Earnings, weekly average			
Coal mining	521.01	501.73	528.63
Bituminous & Lignite	522.96	503.65	529.91

Source: U.S. Dept. of Labor, Bureau of Labor Statistics—Employment and Earnings.

	MONTHLY		
	11/82	10/82	11/81
Bituminous and Lignite			
Consumption			
Electric power utilities	47,699	46,248	46,873
Coal user stocks of coal			
Electric power utilities	171,335	170,181	156,360
Anthracite			
Consumption			
Electric power utilities	100	81	141
Coal user stocks of coal			
Electric power utilities	6,060	5,992	5,548

Note: Data give in thousands of short tons.
Source: U.S. Dept. of Energy Information Administration—Weekly Coal Report.

	11/82	10/82	11/81
Coal User Production			
Major district users:			
Electric utilities			
(Mil Kwh.)			
Monthly	95,547	93,779	94,841

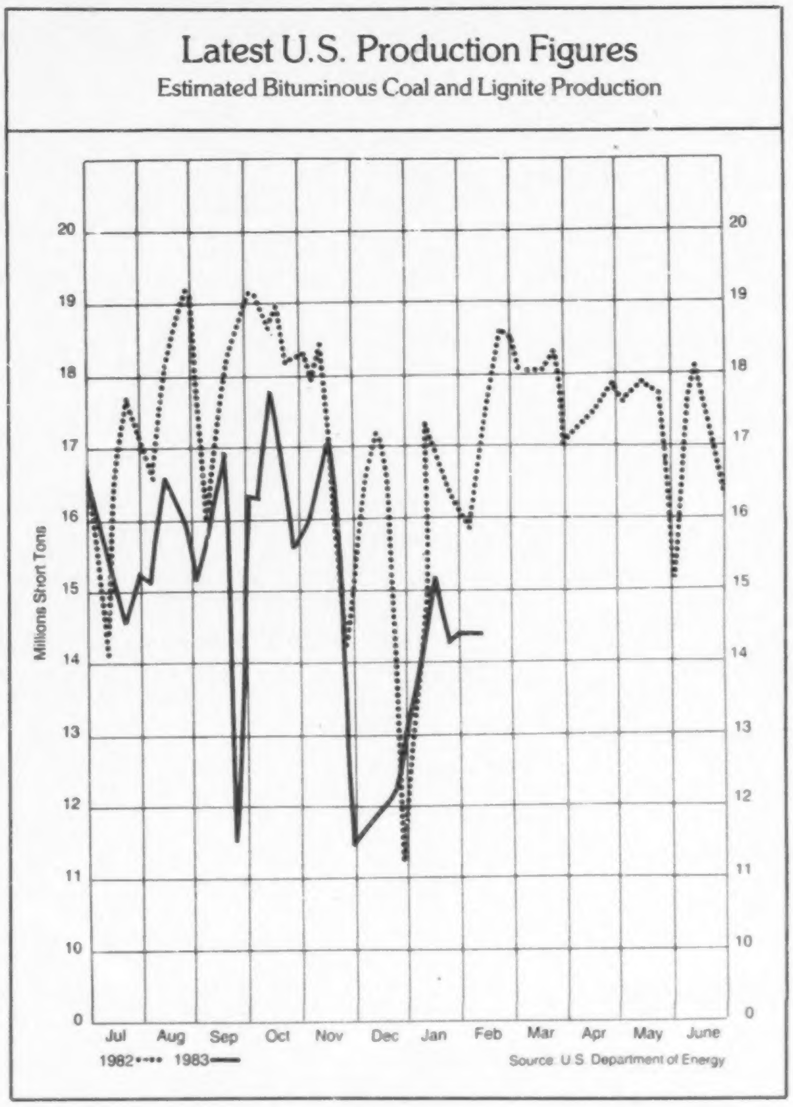
	MONTHLY		
Price Indexes			
	1/83	12/82	9/82
Bituminous Coal and Lignite	103.6	105.0	104.7
Primary Products	101.8	103.5	103.8
Prepared	103.4	104.7	103.9
Steam electric utilities	104.4	105.9	104.9
North Appalachia	107.1	106.1	103.2
Spot	N.A.	N.A.	116.4
Contract	100.8	106.3	101.4
South Appalachia			
Contract	N.A.	N.A.	99.0
Midwest	108.8	107.8	108.0
Contract	110.0	108.9	109.1
West	109.1	110.0	108.6
Contract	109.1	110.0	108.6
Metallurgical/coke producer	101.1	101.7	101.4
High volatile	99.9	100.2	100.1
North Appalachia	97.2	97.2	97.2
Contract	97.2	N.A.	97.2
South Appalachia			
Contract	101.4	102.0	101.7
West	99.0	99.0	100.7
Low volatile	101.2	102.8	101.9
North Appalachia			
Contract	N.A.	99.5	99.8
South Appalachia			
Contract	N.A.	105.5	103.5
All other industrial	99.6	100.5	99.1
North Appalachia			
Contract	92.4	91.2	90.0
Midwest	99.3	102.0	100.2
Contract	N.A.	N.A.	99.4
Unprepared (raw)	96.3	99.2	103.5
For preparation at other establishments	N.A.	N.A.	N.A.
For use without preparation	N.A.	N.A.	N.A.
Anthracite	153.3	154.0	153.8
Primary products	152.0	152.6	152.5
Prepared anthracite shipped	153.9	154.7	154.5
Stove	151.2	151.7	151.1
Chestnut	148.7	151.5	150.9
Pea	160.3	160.3	160.3
Buckwheat no. 1	149.0	149.0	149.0
Buckwheat no. 2	160.8	160.8	160.8
Buckwheat no. 4	143.9	143.9	143.9
Buckwheat no. 5	110.2	112.0	112.0

N.A.—Not Available

Source: Bureau of Labor Statistics, Dept. of Labor.

Note: The Bureau of Labor Statistics has recalibrated its producer price index figures for bituminous and lignite, as well as reorganizing its pricing categories. The new index is based on a compilation of average prices for December, 1981, and that month appears as 100. The former index used June, 1976 prices as its base.

Domestic


Latest U.S. Production Figures
Estimated Bituminous Coal and Lignite Production

Source: U.S. Department of Energy

BITUMINOUS COAL and lignite production for the week ended Feb. 12 reached 14.348 million short tons, the Energy Information Administrtion estimated. This was a 41,000-ton, 0.3-percent increase from the previous week. Production for the corresponding week in 1982 was 16.442 million short tons. Production so far in 1983 has reached 86.596 million short tons, a 10.4 percent decline from 1982.

	Quantity in short tons			Dollar Value			Avg. Value per short ton		
	12/82	11/82	12/81	12/82	11/82	12/81	12/82	11/82	12/81
Bituminous coal, others No. 5213120									
Belgium	8,693	131,159	218,072	391,358	4,959,468	8,207,448	45.01	37.81	37.63
Canada	595,532	1,609,983	1,783,786	29,734,911	80,250,571	79,955,096	49.92	49.84	44.82
China, Taiwan	183,148	123,825	346,516	8,357,286	5,301,886	15,229,622	45.63	42.81	43.95
Denmark	49,851	189,870	226,935	1,481,112	10,452,508	13,174,437	29.71	55.05	58.05
Finland	135,739	185,207	62,077	5,743,047	7,658,434	2,815,843	42.30	41.35	45.36
France	507,581	520,446	172,691	21,125,688	22,754,991	7,055,827	41.62	43.72	40.85
Germany, F.R. (West)	99,961	97,340	195,146	5,692,635	6,120,068	11,181,334	56.93	62.87	57.29
Italy	304,125	424,098	215,710	15,199,774	22,191,398	11,350,600	49.97	52.32	52.61
Japan	191,028	143,625	356,771	9,323,637	7,115,678	18,112,814	48.80	49.54	50.76
Netherlands	126,126	175,804	342,712	7,230,356	9,515,151	16,993,061	57.32	54.12	49.58
Spain	310,486	177,370	233,291	12,686,989	7,433,664	11,292,924	40.86	41.91	48.40
Total, above	2,512,290	3,778,727	4,153,707	116,966,793	183,753,817	195,369,006	46.55	48.62	47.03
Total, other nations	292,190	251,072	500,257	13,568,536	10,948,814	25,568,007	46.43	43.60	51.10
Total, all nations	**2,804,480**	**4,029,779**	**4,653,964**	**130,535,329**	**194,702,631**	**220,937,013**	**46.54**	**48.31**	**47.47**
Lignite No. 5213130									
Total, all nations	**317**	**362**	**1,411**	**61,516**	**63,153**	**275,458**	**194.05**	**174.45**	**195.22**
Coal coke for use as fuel No. 5213140									
Total, all nations	**28,510**	**59,774**	**129,899**	**2,547,439**	**3,638,655**	**7,850,970**	**89.35**	**60.87**	**60.50**
Petroleum coke, except calcined No. 5213150									
Canada	79,490	128,802	55,659	1,952,487	4,712,130	3,916,500	24.56	36.58	70.36
Japan	242,157	417,427	128,742	8,221,003	16,696,182	6,474,825	33.94	33.99	50.29
Netherlands	197,552	113,735	75,234	6,505,018	2,569,874	4,556,274	32.92	22.59	60.56
Total, above	519,199	659,964	259,635	16,578,508	23,978,186	14,947,599	32.12	36.33	57.57
Total, other nations	565,578	497,313	445,922	15,277,353	13,808,271	22,745,090	27.01	27.76	51.00
Total, all nations	**1,084,777**	**1,157,277**	**705,557**	**31,955,861**	**37,786,457**	**37,692,689**	**29.45**	**32.65**	**53.42**
Compositions for fuel No. 5213160									
Total, all nations	**243**	**32,681**	**1,067**	**73,626**	**1,037,637**	**86,122**	**302.98**	**31.75**	**80.71**
Anthracite No. 5213170									
Korea Rep. (South)	35,649	37,478	66,902	1,228,920	1,220,600	3,423,032	34.47	32.56	51.16
Total, all nations	**43,186**	**106,603**	**100,553**	**1,673,066**	**[illegible],054,223**	**5,721,688**	**38.74**	**56.79**	**56.90**

Exports & Imports

	Quantity in short tons			Dollar Value			Avg. Value per short ton		
Bituminous coal, low volatile blends to make coke No. 5213110	12/82	11/82	12/81	12/82	11/82	12/81	12/82	11/82	12/81
Belgium	103,620	192,408	468,822	5,986,096	12,436,106	22,811,735	57.76	64.63	48.65
Brazil	329,061	260,833	434,193	14,443,340	14,465,188	17,899,509	43.89	55.45	41.22
Canada	104,333	387,906	652,854	7,162,882	26,399,452	37,610,753	68.65	68.05	57.60
France	225,273	218,893	706,906	12,702,940	11,175,562	37,928,828	56.38	51.05	53.65
Germany, F.R. (West)	125,745	—	265,898	6,873,353	—	10,835,265	54.66	—	40.74
Italy	715,899	543,306	1,088,193	32,752,442	26,001,417	50,450,041	45.75	47.85	46.36
Japan	777,756	1,315,219	2,558,195	45,882,441	78,643,079	147,810,251	58.99	59.79	57.77
Netherlands	83,830	147,170	260,985	4,863,945	9,257,732	14,903,230	58.02	62.90	57.10
Spain	231,570	223,531	224,512	10,166,975	10,388,575	11,531,326	43.90	46.47	51.36
Sweden	85,084	79,381	83,381	3,714,928	3,704,675	3,441,986	43.66	46.66	41.28
United Kingdom	104,250	—	217,391	5,864,063	—	11,922,133	56.25	—	54.84
Yugoslavia	134,239	76,898	67,694	8,104,512	5,000,060	3,958,919	60.37	65.02	58.48
Total, above	3,020,660	3,445,547	7,029,024	158,517,919	197,471,846	371,103,976	52.47	57.31	52.79
Total, other nations	643,394	524,127	587,957	36,539,284	31,205,801	30,690,249	56.79	59.53	52.19
Total, all nations	**3,664,054**	**3,969,674**	**7,616,981**	**195,057,203**	**228,677,647**	**401,794,225**	**53.23**	**72.72**	**52.74**

C2350-1 4/11/83

COAL INDUSTRY NEWS

Coal's National Newspaper

BULK RATE
U.S. POSTAGE
PAID
Permit No. 332
Des Plaines, IL 60018

MARCH 14, 1983 :301 Pennsylvania Ave., N.W., Washington, D.C. 20004 Volume 7, Number 5 $1 a Copy; $24 a Year

System Takes New Approach to Reclamation

NEW RECLAMATION TECHNIQUE called melioration involves deep soil loosening and recultivation with the Kaelbie-Gmeinder subsoil system. In a demonstration by Meadowlark Farms at Amax Coal Co.'s Sun Spot mine near Vermont, Ill., a K.G. TLG-12 and a Howard Rotovator are mounted on a John Deere 750 hydrostatic drive bulldozer — with remarkable results. For more about this and other approaches to mined land reclamation, turn to this issue's Focus on page 4.

Rulings May Add $6 Billion Yearly to Transport Costs

By Steve Marcy

WASHINGTON — Coal shippers have launched a two-front counter attack against basic revisions in the rules for setting railroad coal rates.

One coal industry projection estimates the revisions could transfer $6 billion yearly from the coal and electric utility industries to the pockets of the rail industry.

The Eastern Coal Transportation Conference (ECTC) and the National Coal Association (NCA) have asked for U.S. Court of Appeals review of two Interstate Commerce Commission decisions — one allowing the railroads at least 15 percent profit on their coal haulage without challenge and the other repealing all constraints on coal moving to export.

NCA asked for an appeals court review in the export case even before it has become a final decision in an effort to steer it into a friendly venue — probably the D.C. Circuit. Promptness in filing can be crucial toward keeping the reviews out of Third Circuit in Philadelphia, which the coal industry fears favors railroads.

A spokesman for the eastern shippers say they will join the petition once the ICC releases its rationale for the decision, scheduled for early May. It is slated to take effect 90 days later.

The second front is a call by both groups for Congress to reopen the 1980 Staggers Rail Act and clarify its edict that coal shippers who are captive to one railroad are to be protected from monpolistic rail-pricing practices.

ECTC Chairman W.R. Miller said the decisions left "no alternaives but to seek congressional assistance in reining in the ICC and placng some effective constraints on the railroads' monpoloy." NCA President Carl Bagge also called for congressional clarification of the railroads' obligation under Staggers.

But some shippers and users of coal say privately that Congress already has two other bitter energy-related fights looming before it — natural gas decontrol and the Clean Air Act. It might not have the time or fortitude for a replay of the 1980 battle over Staggers.

A source within the Edison Electric Institute says it "is planning a whole series of meetings on what to do about the situation" and predicted that the association of investor-owned utilities would ultimately join the coal-shippers' legal fight.

A utility industry source says about 9,000

(Continued on page 2)

NEWS ROUNDUP

Occidental Petroleum Corp. signed an interim agreement last week with China to **develop a coal mine that could become China's largest joint venture with U.S. interests.** Oxy officials said the signing of the agreement to develop Pinshuo Mine in Shanxi Province, China's biggest coal-producing region, followed completion of a feasibility study begun last year. They said the open-pit mine will involve $230 million of U.S. investment and produce 15 million metric tons annually by 1986. Construction is scheduled to start July 1 and production expected to start in July 1985.

* * *

World coal demand will rise, but the United States will maintain its market share, forecasts the Department of Energy's Energy Information Administraton in a new report, *Prospects for Future World Coal Trade.* World steam coal trade is expected to increase more than fivefold by the year 2000 at an average annual rate of 9 percent, the study predicts. It adds that the United States will probably maintain its 1980 world market share, approximately 25 to 30 percent of world steam coal exports.

* * *

An errand of mercy the day before could have led to the sinking of a coal transport vessel in a Feb. 12 storm off the coast of Virginia, owners of the

(Continued on page 2)

MacGregor Ready for British Coal Board Challenge

By Steve Sasanow

LONDON — Ian MacGregor broke onto the British industrial scene three years ago like a U.S. marshal riding into a Wild West town with a mandate to clean out the bandits and make the place safe for decent citizens.

Prime Minister Margaret Thatcher named him to head the British Steel Corp. (BSC) and straighten out the mess the ailing nationalized industry had gotten itself into — gross overcapacity, severe overmanning and losses of more than $20 million per week.

So impressed have Prime Minister Thatcher and her Conservative Party government been with MacGregor and his cleanup act that they have unofficially offered him a new job when his current contract runs out in June.

The Conservatives want him to become chairman of the National Coal Board (NCB), the one part of the U.K.'s nationalized sector that has so far avoided the government's axes. MacGregor is sure to know that, if he takes on this new task, his shiny tin badge has a much greater chance of becoming tarnished.

Unions Critical

While achieving greater efficiency in British Steel Corp.'s managerial staff and reducing losses to a still astounding $550 million a year, MacGregor has also cut the workforce in half to 85,000, hardly endearing himself to the British trade union movement.

His main potential adversary in the coal industry — Arthur Scargill, the left-wing president of the National Union of Mineworkers (NUM) — has described his tenure with BSC as "an unmitigated disaster." Labor Mine President Dennis Skinner, another leftwinger, labeled MacGregor "the butcher."

MacGregor tamed the Iron and Steel Trade Confederation, the main union representing the steelworkers here, by going over the heads of union officials and offer-

(Continued on page 2)

IAN MACGREGOR
...controversial figure

INSIDE

SLURRY'S PROSPECTS in this session of Congress may actually have been enhanced by the Interstate Commerce Commission's recent rail rate decision. **Special Report on page 5.**

PARTICULATE REGULATIONS that potentially could benefit coal have been stalled by the agitation within the Environmental Protection Agency, reports Steve Marcy **on back page.**

Montana Mine Offered to Middle East Buyers

PORTLAND, Ore. — Portland General Electric Co. has taken the unusual step of offering a Montana coal mine for sale to possible Middle East and [illegible] African buyers for $10 million.

Advertising in a pair of Middle East-circulated magazines, the utility offered "a fully-equipped and ready for production coal mine" covering 8,265 acres in southeastern Montana, with adjacent federal land available for lease. The mine has 93 million tons proven reserves.

Known as the Beaver Creek mine, it is located in Carbon County west of the Powder River Basin. It is some 20 miles from Burlington Northern rail service.

PGE acquired a 50 percent interest in the Beaver Creek mine for an undisclosed sum in 1978. The utility became sole owner in 1980. No reason for the decision to sell was offered beyond a PGE statement that "it is in the best interest of the company to dispose of the mine at this time." The $10 million asking price is negotiable, a spokesman told *Coal Industry News.* — **T.W. Klenlen**

Coal Stocks are Conspicuously Absent as Dow Jones Average Climbs

NEW YORK — The plight of the coal industry was never more aptly portrayed than in recent stock market activity. As the Dow-Jones Industrial Average continues its upward trend and new highs are achieved by ever-increasing numbers of issues, coal-related stocks are conspicuous by their absence.

Take the closing on Friday, March 4, for example. The Dow reached its fourth consecutive high, winding up at 1140.96, a gain of 20.02 for the week on a turnover of more than 90-million shares for Friday's trading. A total of 245 stocks posted new highs that day but only five of the *Coal Industry News* list of 79 coal-related stocks were included — Goodrich, Inland Steel, Mobil, Republic Steel and Pacific Power and Light 3.75 preferred.

By like token, the performance of the 30 issues in the Suppliers list only serves to emphasize the lack of any pick-up in sight for the coal industry. Thirteen of the stocks showed declines, while three were unchanged. The heaviest loser was Ingersoll-Rand, off 1 1/8. Bucyrus Erie, International Harvester and Research Cottrell remained unchanged, but fractional losses were posted by ACF, Allis Chalmers, Caterpillar, Dravo, Dresser Industries, Fluor, Goodyear, Kennametal, McDonnell-Douglas, National Mine Service, Pennwalt and Tenneco.

Much the same held true for the 35 coal companies in the list, although the majority were on the upward push. Five turned downward and five were unchanged. But, of the predominately coal stocks, Eastern Gas and Fuel was off fractionally, while North American Coal and Pittston held their ground, unchanged. Mapco edged ahead 3/8 and Westmoreland added a full point.

Steel companies on this list were up and stong, with Bethlehem gaining 2 5/8 and U.S. Steel posting a one-point gain. This was entirely attributable to the apparent turnaround in the steel industry where production is now nearing the 50 percent-capacity level after the disastrous losses of 1982.

This same strength was reflected in the seven Users in the *Coal Industry News* stock list. Kaiser Steel soared 3 3/4 and was joined by Republic Steel, up 3 5/8. Inland Steel added a whopping 4 1/8 in the week's trading and National Steel rose 2 3/4. Alcoa tacked on 1/8 after its vice chairman told a security analysts' meeting that the aluminum industry is definitely moving out of its deep recession.

The seven Transportation stocks were mixed, with Norfolk Southern up 1 7/8 and Burlington Northern up 1 1/2. At the opposite end, Chicago Northwestern fell 1 1/4 and IC Industries dropped 2 1/8.

March 4, 1983

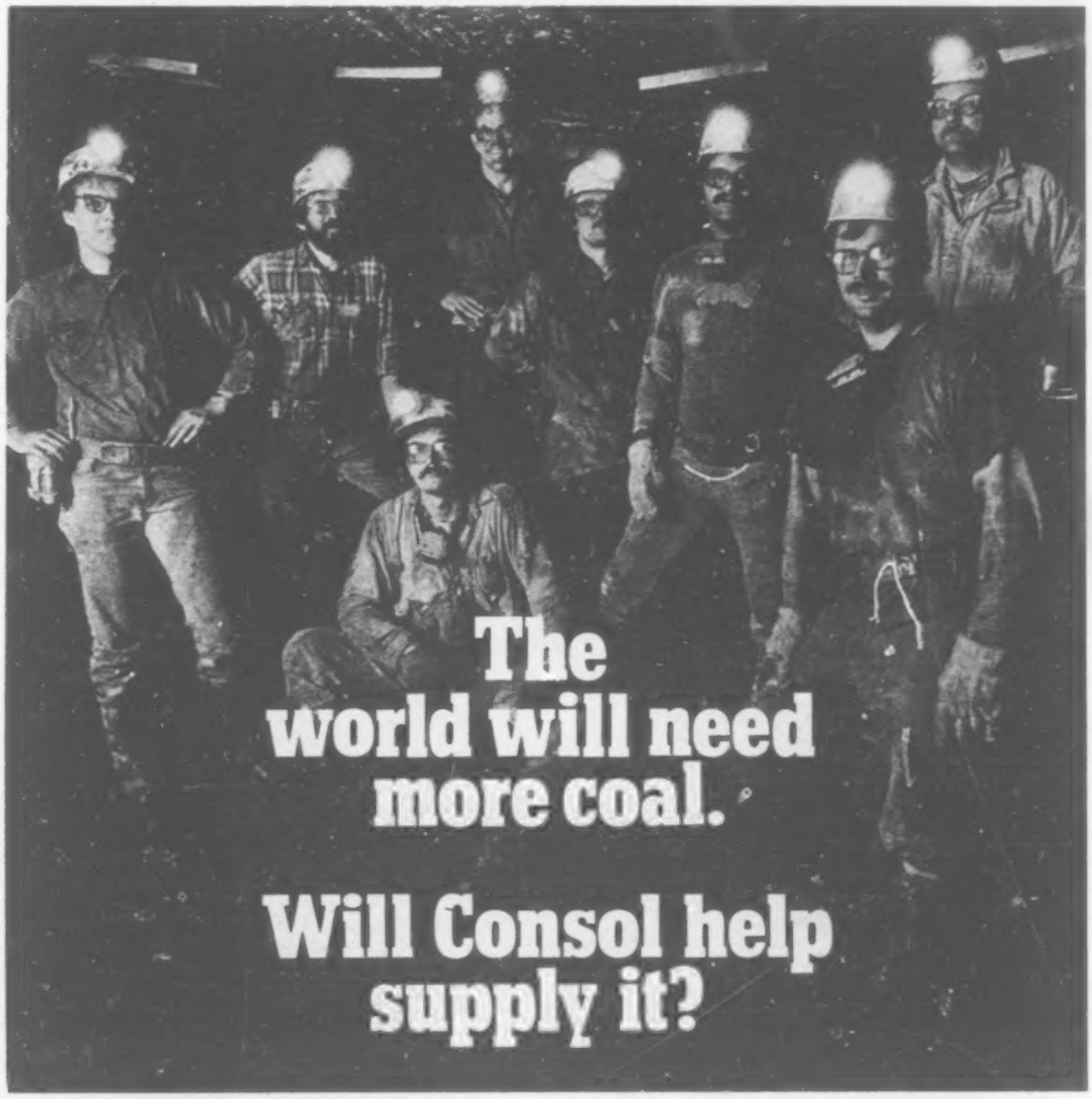
company	sales 100s	wks. high	wks. low	last	net chg
Coal Companies					
Amax	7447	23⅞	22⅛	23⅞	+⅝
AEPwra	13168	19⅛	18¼	19	+⅝
AshOilb	3179	32	29	31⅞	+3
BethStlc	13665	23⅛	20⅝	23⅛	+2⅝
Boeingd	16121	37⅜	35½	36⅛	-⅝
DuPonte	13881	42⅛	39½	41¼	+1⅛
EastGF	x2595	20¾	20	20	-⅛
ElPaso	11501	17½	16½	17⅜	—
EqtLif	—	—	—	—	—
Exxong	58206	31⅜	29⅝	30⅞	+1⅛
GenElh	x22195	w111⅛	106	108⅝	+⅞
Gracei	2197	43¼	41⅜	42⅝	-1¼
GulfOilj	13068	33¼	31⅜	33	+⅛
Hannaj	1531	22½	19¾	21⅝	+1¾
KerrMc	x6804	31	29	30⅞	+⅞
Mapco	4531	22⅞	21½	22⅝	+⅜
Mobil	37728	w30	28	29½	+2⅝
MonPwk	3653	27⅛	26	27	+⅞
Newmtl	8057	53¼	50⅝	53	-1
NACoal	121	29⅞	28½	29	—
OccPetm	x16338	19⅝	18⅞	19	+⅛
PacPwn	10872	21⅞	21	21⅝	-⅛
PhilPet	28429	33¾	30⅝	33¾	+1⅞
Pittstn	4640	13½	12¾	13⅝	—
ShellO	x4881	39½	38¼	38½	-¼
StOilCio	27713	w37⅝	35½	37½	+¾
StdOOhp	15361	42	39	41½	+⅝
SunCo	2865	33⅞	30⅞	32⅞	+1¼
Texaco	19777	33⅝	31½	32¾	+½
TexUtil	x19416	23¾	22½	23¾	+1⅛
USSteel	14736	23⅝	22	23⅝	+1
UtaPL	2786	22¾	22⅜	22½	—
WaltJm	2443	36¾	34½	36⅝	+1¼
West	881	w23⅝	21¾	23¼	+1
Williamq	x6366	21¾	20⅛	21½	+1⅜
Suppliers					
ACF	x3470	32¼	31⅜	31½	-¼
AllisCh	1093	12⅜	12	12	-⅜
BucyEr	1825	15⅝	15	15⅝	—
CatrpT	12855	45¼	43½	44⅝	-⅜
Chryslr	25264	17⅛	14½	15⅞	+⅜
CmbEn	5525	37⅞	35¾	37⅝	+1⅛
DowCh	22899	w32¼	30⅞	31¾	+½
Dravo	355	13¾	13⅛	13⅝	-⅛
Dresrr	11108	18	17¼	17½	-¼
FMC	4052	w38⅛	35½	37¾	+2
Firest	7444	19½	18⅛	19⅜	+1
Fluors	7645	21¾	19¾	21⅛	-⅛
FordM	21941	42⅛	38	41¼	+1⅞
GTE1	16256	41⅝	39⅞	41¼	+1⅛
GMot	24543	64	61⅜	61⅞	+⅜
GTire	1380	34½	33½	34¼	+1
Gdrich	x3789	w36½	34¼	36½	+1¾
Goodyr	33453	32⅛	30⅞	31¼	-⅛
IngerR	1744	48¼	46½	46⅝	-1⅛
IntHarv	6131	6¾	6½	6½	—
JoyMfg	2259	25⅞	23¾	25⅞	+1⅝
Kennmt	926	30¼	28	28¼	-½
McDnD	6425	49⅝	48⅝	49	-½
NMineS	298	8⅝	7¾	7⅞	-¾
Penwlt	1053	38¼	36¼	36⅝	-⅝
RshCot	879	17½	16¼	16¾	—
Tenneco	8198	34⅝	33	34¼	-¼
UnCarb	9003	w62⅛	60¼	61⅝	+1
WestgE	13730	w50⅝	47⅝	50⅛	+2¼
Transportation					
BrlNth	3861	69¾	66⅝	69½	+1½
CSX	4215	57¾	55¾	57¼	+¼
CNWst	1720	w30⅛	28⅝	28⅝	-1¼
ICInd	1858	40⅝	38	38⅝	-2⅛
NorSo	11043	55⅞	53⅛	55⅞	+1⅞
SFeInd	14579	w26½	23	25	+1
UnPac	x11533	49¾	46⅛	49¾	+1¼
Users					
Alcoa	8346	w35½	33⅛	34⅝	+⅛
InldStl	15406	w32⅝	28⅛	32⅝	+4⅛
KaisCe	1785	25⅝	24½	25	+¼
KaisrSt	3646	41¼	36⅝	41¼	+3¾
NatlStl	3736	22½	19	22¼	+2¾
RepStl	7272	w24	20¼	24	+3⅝
WhelPit	598	19	17¾	18⅞	+⅝

a/owns Central Ohio Coal, b/owns 50 percent of Arch Mineral, c/owns Bethlehem Mines, d/owns 15 percent of Peabody Holding Co., e/Owns Conoco and Consolidation Coal, f/Owns 5 percent of Peabody Holding Co., g/owns Exxon Coal, h/owns Utah International, i/owns 50 percent of ColoWyo Coal, j/owns 50 percent of ColoWyo Coal, k/owns Western Energy, l/owns 27.5 percent of Peabody Holding, m/owns Island Creek Coal Co., n/owns Nerco, o/owns 20 percent of Amax, p/owns Old Ben Coal Co., q/owns 27.5 percent of Peabody Holding Co., r/owns Jeffrey Mining, s/owns 10 percent of Peabody Holding Co., t/owns American Mine Tool, u/owns Pittsburg and Midway Coal Mining Co., w/new 52-week high, x/ex-dividend and sales in full.

Sun Completes Purchase

RADNOR, Pa. — Sun Co. completed the purchase of Whitaker Coal Corp., a privately held firm based in Hazard, Ky., for an undisclosed sum.

Whitaker's properties and operations in eastern Kentucky contain 70 million tons of proven and probable high-quality, low-sulfur steam coal, Sun said.



Yes. Consol is spending millions of dollars right now building three new coal mines. The world's appetite for coal is huge and growing. During this decade, demand for American coal throughout the world could almost double. When the demand is there, Consol will be ready to meet it. We've got 47 producing mines and billions of tons of reserves.

Coal. It's the world's most practical route to energy security.
Consolidation Coal Company, Consol Plaza, Pittsburgh, Pennsylvania 15241
CONSOL

BEST AVAILABLE COPY

FACTS & FIGURES

	WEEKLY 2/26/83	2/19/83	2/27/82
Production			
Bituminous, recent week	15,201	14,962	18,528
Bituminous, year to date	**116,759**	**132,924**	—
Anthracite, recent week	78	77	104
Anthracite, year to date	**612**	**834**	—
Railroad carloadings			
Bituminous, recent week	101,719	95,741	125,037
Bituminous, year to date	**781,066**	**896,173**	—
Anthracite, recent week	71	54	137
Anthracite, year to date	**541**	**1,150**	—

Production data in thousands of short tons.
Source: U.S. Dept of Energy, Energy Information Administration—Weekly Coal Report.

	WEEKLY 2/26/83	2/19/83	2/27/82
Production by states, bituminous and lignite			
Eastern			
Alabama	479	472	603
Georgia	—	—	—
Illinois	1,198	1,180	1,375
Indiana	556	547	677
Kentucky:			
Eastern	1,996	1,964	2,433
Western	705	694	931
Total, Ky.	**2,701**	**2,658**	**3,364**
Maryland	69	68	91
Ohio	699	688	868
Pennsylvania	1,303	1,341	1,862
Tennessee	141	138	212
Virginia	671	661	931
West Virginia	2,434	2,396	2,708
Total, Eastern	**10,311**	**10,149**	**12,691**
Western			
Alaska	14	14	17
Arizona	213	209	233
Arkansas	4	4	4
Colorado	340	334	423
Iowa	10	10	13
Kansas	15	15	17
Missouri	93	91	116
Montana	502	494	719
New Mexico	334	329	423
North Dakota	337	332	386
Oklahoma	97	96	118
Texas	629	618	698
Utah	311	306	317
Washington	76	75	110
Wyoming	1,916	1,886	2,243
Total Western	**4,890**	**4,813**	**5,837**
Total, United States	**15,201**	**14,962**	**18,528**

In short tons (000).
Source: U.S. Dept of Energy, Energy Information administration—Weekly Coal Reports.

	MONTHLY 1/83	12/82	1/82
Coal Labor			
All employees			
Coal Mining	205.2	206.4	250.0
Bituminous & Lignite	202.1	203.1	246.5
Production employees			
Coal mining	164.0	165.3	207.1
Bituminous & Lignite	161.3	162.5	204.0
Hours, weekly average			
Coal mining	39.8	39.8	40.9
Bituminous & Lignite	39.8	39.9	40.9
Earnings, hourly average			
Coal mining	13.24	13.20	12.40
Bituminous & Lignite	13.29	13.25	12.44
Earnings, weekly average			
Coal mining	526.95	525.36	507.16
Bituminous & Lignite	528.94	528.68	508.80

Source: U.S. Dept. of Labor, Bureau of Labor Statistics—Employment and Earnings.

	MONTHLY 11/82	10/82	11/81
Bituminous and Lignite Consumption			
Electric power utilities	47,699	46,248	46,873
Coal user stocks of coal			
Electric power utilities	171,335	170,181	156,360
Anthracite Consumption			
Electric power utilities	100	81	141
Coal user stocks of coal			
Electric power utilities	6,060	5,992	5,548

Note: Data give in thousands of short tons.
Source: U.S. Dept. of Energy Information Administration—Weekly Coal Report.

	11/82	10/82	11/81
Coal User Production			
Major district users:			
Electric utilities (Mil Kwh.)			
Monthly	95,547	93,779	94,841

Price Indexes	MONTHLY 1/83	12/82	9/82
Bituminous Coal and Lignite	103.6	105.0	104.7
Primary Products	101.8	103.5	103.8
Prepared	103.4	104.7	103.9
Steam electric utilities	104.4	105.9	104.9
North Appalachia	107.1	106.1	103.2
Spot	N.A.	N.A.	116.4
Contract	100.8	106.3	101.4
South Appalachia			
Contract	N.A.	N.A.	99.0
Midwest	108.8	107.8	108.0
Contract	110.0	108.9	109.1
West	109.1	110.0	108.6
Contract	109.1	110.0	108.6
Metallurgical/coke producer	101.1	101.7	101.4
High volatile	99.9	100.2	100.1
North Appalachia	97.2	97.2	97.2
Contract	97.2	N.A.	97.2
South Appalachia			
Contract	101.4	102.0	101.7
West	99.0	99.0	100.7
Low volatile	101.2	102.8	101.9
North Appalachia			
Contract	N.A.	99.5	99.8
South Appalachia			
Contract	N.A.	105.5	103.5
All other industrial	99.6	100.5	99.1
North Appalachia			
Contract	92.4	91.2	90.0
Midwest	99.3	102.0	100.2
Contract	N.A.	N.A.	99.4
Unprepared (raw)	96.3	99.2	103.5
For preparation at other establishments	N.A.	N.A.	N.A.
For use without preparation	N.A.	N.A.	N.A.
Anthracite	153.3	154.0	153.8
Primary products	152.0	152.6	152.5
Prepared anthracite shipped	153.9	154.7	154.5
Stove	151.2	151.7	151.1
Chestnut	148.7	151.5	150.9
Pea	160.3	160.3	160.3
Buckwheat no. 1	149.0	149.0	149.0
Buckwheat no. 2	160.8	160.8	160.8
Buckwheat no. 4	143.9	143.[illegible]	143.9
Buckwheat no. 5	110.2	112.0	112.0

N.A.—Not Available

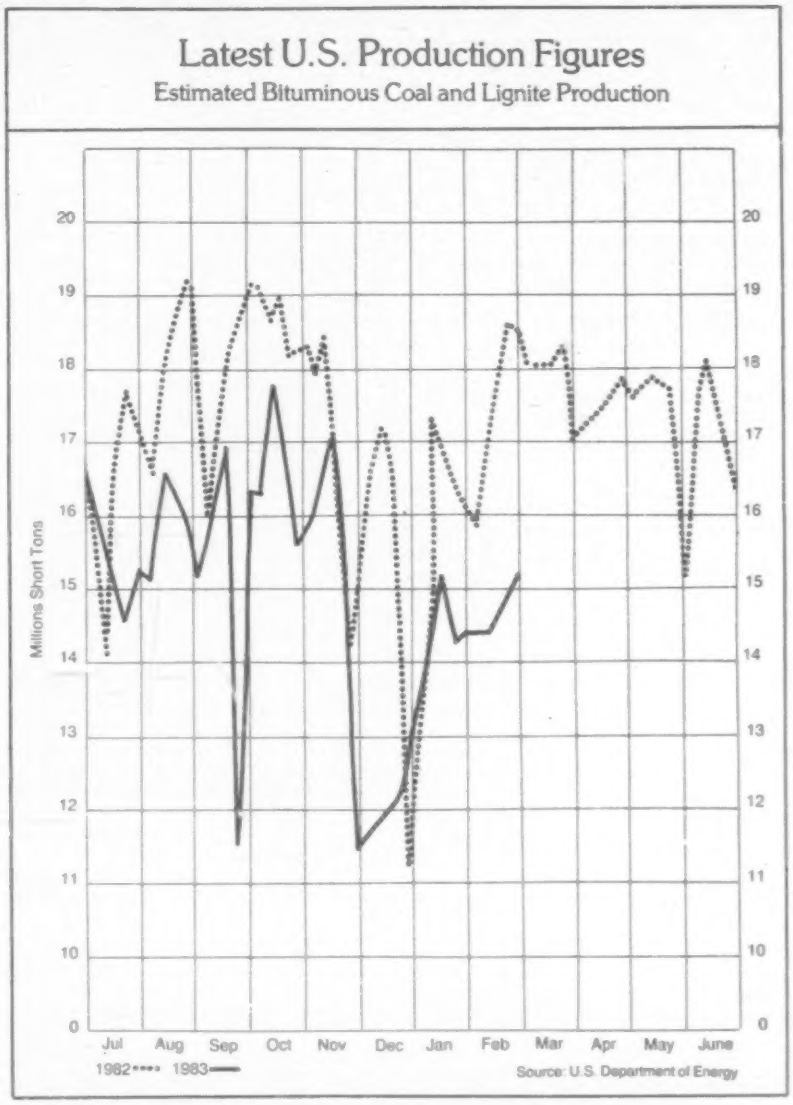
Source: Bureau of Labor Statistics, Dept. of Labor.

Note: The Bureau of Labor Statistics has recalibrated its producer price index figures for bituminous and lignite, as well as reorganizing its pricing categories. The new index is based on a compilation of average prices for December, 1981, and that month appears as 100. The former index used June, 1976 prices as its base.

Exports & Imports

Bituminous coal, low volatile blends to make coke No. 5213110	Quantity in short tons 1/83	12/82	1/82	Dollar Value 1/83	12/82	1/82	Avg. Value per short ton 1/83	12/82	1/82
Belgium	167,431	103,620	285,746	5,986,098	4,559,592	48.91	57.76	50.95	
Brazil	168,265	329,061	327,239	7,623,384	14,443,340	16,807,270	45.30	43.89	51.36
Canada	250	104,333	1,260	7,370	7,162,882	49,600	29.48	68.65	39.36
France	386,926	225,273	264,052	17,867,580	12,702,940	9,967,483	48.69	56.38	37.74
Germany, F.R. (West)	84,011	125,745	114,548	3,973,032	6,873,353	6,017,629	47.29	54.66	52.53
Italy	473,658	715,899	858,002	22,548,829	32,752,442	42,880,186	47.60	45.75	49.97
Japan	1,407,389	777,756	2,180,461	87,098,766	45,882,441	121,747,643	61.88	58.99	55.83
Netherlands	289,929	83,630	96,522	16,032,457	4,863,945	5,673,286	55.29	58.02	58.75
Spain	219,002	231,570	217,121	10,743,639	10,166,975	10,058,073	49.05	43.90	46.32
Sweden	68,811	85,084	63,606	4,129,561	3,714,928	3,374,153	60.01	43.66	53.04
United Kingdom	—	104,250	165,388	—	5,864,063	10,132,713	—	56.25	61.26
Yugoslavia	—	134,239	38,718	—	8,104,512	2,300,673	—	60.37	59.42
Total, above	3,245,672	3,020,660	4,612,693	178,21[illegible]13	158,517,919	243,568,301	54.90	52.47	52.80
Total, other nations	258,271	643,394	684,901	14,486,799	36,967,028	36,967,028	56.09	56.79	53.97
Total, all nations	**3,503,943**	**3,664,064**	**5,297,594**	**192,701,912**	**195,057,203**	**280,535,329**	**54.99**	**53.23**	**52.96**

Domestic


Latest U.S. Production Figures
Estimated Bituminous Coal and Lignite Production

Source: U.S. Department of Energy

BITUMINOUS and lignite production tipped 1.6 percent upward for the week ended Feb. 26 from the previous week, but at 15.201 million short tons fell below the 18.528 million short tons produced in the corresponding week last year. Year-to-date production reached 116.759 million short tons, 12.2 percent below the 132.924 million short tons produced by the end of February in 1982.

	Quantity in short tons 1/83	12/82	1/82	Dollar Value 1/83	12/82	1/82	Avg. Value per short ton 1/83	12/82	1/82
Bituminous coal, others No. 5213120									
Belgium	—	8,693	—	—	391,358	—	—	45.01	—
Canada	1,397	595,532	1,082	29,734,911	53,630	48.04	49.92	49.56	
China, Taiwan	—	183,148	124,972	—	8,357,286	5,261,352	—	45.63	42.10
Denmark	166,527	49,851	124,955	7,489,837	1,481,112	6,561,985	44.97	29.71	52.51
Finland	68,849	135,739	—	2,855,258	5,743,047	—	41.47	42.30	—
France	55,974	507,581	64,292	2,099,051	21,125,688	2,314,512	37.50	41.62	36.00
Germany, F.R. (West)	59,792	99,981	—	3,480,749	5,692,635	—	58.21	56.93	—
Italy	68,863	304,125	199,003	3,794,918	15,199,774	9,811,342	55.10	49.97	49.30
Japan	142,802	191,028	301,750	6,793,968	9,323,637	14,523,143	47.57	48.80	48.12
Netherlands	122,758	126,126	224,763	5,589,853	7,230,356	13,307,938	45.53	57.3	59.20
Spain	245,836	310,486	131,999	10,092,568	12,686,989	7,252,277	41.05	40.86	54.94
Total, above	932,790	2,512,290	1,172,816	42,263,325	116,986,793	59,086,179	45.30	46.56	50.37
Total, other nations	301,418	292,190	138,328	14,515,436	13,568,536	5,865,016	48.15	46.43	42.39
Total, all nations	**1,234,217**	**2,804,480**	**1,311,144**	**58,778,781**	**130,536,329**	**64,951,195**	**46.90**	**46.54**	**49.53**
Lignite No. 5213130									
Total, all nations	**1,283**	**317**	**·1,067**	**97,027**	**61,516**	**202,544**	**75.04**	**194.05**	**246.38**
Coal coke for use as fuel No. 5213140									
Total, all nations	**55,867**	**28,510**	**42,595**	**4,305,112**	**2,547,439**	**3,686,632**	**77.33**	**89.35**	**86.52**
Petroleum coke, except calcined No. 5213150									
Canada	33,032	79,490	13,741	1,070,080	1,952,487	683,383	32.30	24.56	49.73
Japan	379,969	242,157	117,104	15,746,012	8,221,003	6,611,770	41.44	33.94	56.46
Netherlands	174,308	197,562	28,744	7,109,585	6,505,018	1,524,235	40.78	32.92	53.02
Total, above	587,309	519,199	159,589	23,925,677	16,678,508	8,819,388	40.73	32.12	55.26
Total, other nations	614,716	565,578	339,627	17,161,618	15,277,353	19,487,696	27.91	27.01	57.37
Total, all nations	**1,202,025**	**1,084,777**	**499,216**	**41,087,295**	**31,955,861**	**28,307,084**	**34.18**	**29.45**	**56.70**
Compositions for fuel No. 5213160									
Total, all nations	**64**	**243**	**288**	**12,845**	**73,626**	**25,398**	**197.57**	**302.98**	**91.65**
Anthracite No. 5213170									
Korea Rep. (South)	—	35,649	141,668	—	1,228,920	5,469,631	—	34.47	38.74
Total, all nations	**4,702**	**46,186**	**146,982**	**687,940**	**1,673,086**	**5,975,353**	**146.30**	**36.74**	**40.65**

C2350-1 4/11/83

FOCUS: INDUSTRY ECONOMICS Starts on Page 6

COAL INDUSTRY NEWS

Coal's National Newspaper

BULK RATE
U.S. POSTAGE
PAID
Permit No. 332
Des Plaines, IL 60018

MARCH 28, 1983 | 1301 Pennsylvania Ave., N.W., Washington, D.C. 20004 | Volume 7, Number 6 | $1 a Copy; $24 a Year

NEWS ROUNDUP

Thomas J. Barrack, deputy Interior undersecretary since December, will become Assistant Commerce Secretary for Trade Development in the next few weeks. Administration sources say the announcement affecting the post with responsibility for coal export policy will come after interest in the nomination of William D. Ruckelshaus as Environmental Protection Agency administrator subsides. Barrack would replace William H. Morris Jr., who is returning to Tennessee April 1 to pursue private business interests.

* * *

Development of Western Europe's largest unexploited coal field has been approved by the British government. Environment Secretary Tom King announced he would not hold a public inquiry into a plan for the new coal mine at Asfordby but would leave the final decision to local Leicestershire authorities who favor the plan. The Asfordby pit will be developed by Britain's National Coal Board. It will provide access to 146 million of the estimated 510 million tons of recoverable reserves in northeastern Leicestershire. Eventual annual output is an estimated 2.2 million tons with a payroll of 1,100.

* * *

Although there is currently only one mine operating there, **Alaska won Interior Department approval to assume enforcement responsibility** of federal surface coal mining regulations effective May 2. Interior Secretary James Watt said Alaska, the 25th state to gain such a federal enforcement role, holds an estimated 5 trillion tons of deposits that "not only provide an all-important strategic resource for our national security, but also represent an important source of energy for the Pacific Rim."

(Continued on page 2)

INSIDE

A MAJOR PORTS BILL won the support of the Reagan administration last week after its introduction in the Senate. **Story on page 2.**

WILLIAM D. RUCKELSHAUS will return to direct the Environmental Protection Agency. His selection was a good move by the White House, but problems at that troubled agency still need to be addressed. **Editorial on page 10.**

JAPAN WILL REDUCE its imports of U.S. metallurgical coal by more than a third this year due to the worldwide recession, a representative of one of that country's leading firms said. **Story on back page.**

Electricity Demand Key to Coal Rebound

By Steve Marcy

WASHINGTON — Robots and computers may lead the moribound coal industry out of its recession.

A Wall Street banker told the annual meeting of the Mining and Reclamation Council of America to expect electricity demand — the engine that drives the coal markets — to grow about 3 percent in 1983 and 4.5 percent in 1984. That is "somewhat faster" than the expected growth in overall economic activity — about 2.5 percent to 3 percent higher in 1983 and 4 percent to 5 percent higher in 1984.

And part of the reason for that, says a Citibank energy lender, is that "the widespread use of computers and the introduction of robotics in manufacturing will tend to boost the demand for electricity more than (for) primary energy sources."

Russell G. Jones, a Citibank vice president in charge of loan programs for the mining and steel industries, noted that the 2 percent decline in electricity demand in 1982 was less than other energy producers experienced, resulting in a net overall increase in electricity's share of the energy market.

Competition from Nuclear

Nonetheless, coal will face stiff competition from nuclear plants in the next couple of years to power electrical generators. Jones notes 12 gigawatts of new nuclear capacity are scheduled to begin operations in 1983, compared seven gigawatts of coal in 1983 and 1984, and that includes conversions from oil and gas.

This should still allow utility coal demand to increase from 4 percent to 4.5 percent annually and points to 1983 production of about 825 million tons.

Coal should remain the fuel of choice for utilities despite recent oil-price declines. "Even if the OPEC marker falls to $25 per barrel (currently at $29), the price of coal will still be only 50 percent of the price of residual fuel oil in 1983 and 1984," Jones said.

Conversions from oil and gas can also continue in such a pricing atmosphere, but "probably at a slower pace," Jones said. Heavy snows in the Northwest this year will also allow hydroelectric generation to compete more effectively against coal.

Exports, however, are shaping up as "another disaster," Jones said, with exports dropping by 14 million to 15 million tons from about 105 million tons shipped in 1982.

- Europe has inventories in excess of a 135-day-burn supply. If a decision is made to continue production in a slack economy as a jobs-saving measure, Europe will try to reduce inventories rather than maintain imports.
- Latin American countries are under-

(Continued on page 2)

INDICATIVE OF THE EL CEREJON PROJECT'S massive size is this construction area. The venture is a joint effort by Colombia's government and an Exxon Corp. subsidiary. While the reserve is of sufficient size to possibly be attractive to U.S. buyers, Exxon's R. Stanley Kleppe sees Europe as a more logical short-term market with the Far East and Caribbean nations offering longer-term potential.

Exxon's Massive El Cerrejon Project Moves Ahead

By Gene Smith

NEW YORK — Thanks in part to the worldwide recession, the world's largest coal project, El Cerrejon, is back on schedule.

"The front end — putting the people in place, getting all the permits and so forth — took a little longer than we thought. But, because of the worldwide recession, deliveries of the critical equipment were much faster than we put in our early timetable," R. Stanley Kleppe, director and vice president of Esso Inter-America, Inc., told *Coal Industry News* at Exxon's New York City headquarters.

"So, you have a lengthening at the front end and a shortening at the back end and the net result is that we're just about where we always thought we'd be. The first shipment should be made about the first part of 1986," he added.

Largest Overseas Project

The largest overseas project that Exxon has under way, El Cerrejon is a 50/50 partnership with the Colombian government. It dates back to 1975 when Intercor, an existing Exxon Colombian affiliate, was invited to participate in the exploration and development of large coal deposits on the North coast of that South American country. The Colombian national coal company, Carbocol, is Exxon's partner.

The joint venture is concentrated in the northern part of a trapezoidal coal site. Carbocol is developing the southern block by itself. The coal produced in both blocks will be surface mined and brought to the coast on a new 160-kilometer railroad. A new port at a bay called Portete, which has a naturally protected harbor, is being built as a vital part of the project.

Electric power for the entire project will be supplied by the Colombian national grid. Corelca, the government utility company, is also building a 150-megawatt coal-fired power plant on the coast at a site southwest of Riohacha to insure adequate power for the project.

The actual site is in a remote, sparsely populated region with a semi-arid climate. The mine and railroad are in a broad valley

(Continued on page 4)

Among Coal and Related Stocks

Sagging Oil Prices, Likely Rise in Interest Rates Slow Majority of Issues

NEW YORK — Concern over oil prices and the feeling that interest rates are likely to rise in the short-term overhung trading on the stock market in recent weeks. The 79 stocks that comprise *Coal Industry News'* index of coal-related issues reflected this trend.

Only seven of the 35 coal companies in the list were able to post gains in the week ended March 18. Two stocks — Montana Power and Texas Utilities — were unchanged. Gains were fractional for the five, with the exception of Hanna Mining, which rose by 2-1/4 in a general strengthening of steel-related stocks, and Jim Walker, which gained 2 and closed just below its high of 23-5/8.

The supplier list fared no better, with only six of its 30 issues winding up the week on the plus-side. Gains were mostly fractional, but the hard core of coal-dominant suppliers continued weak. Fractional losses were turned in by Bucyrus-Erie, Dravo, Dresser, FMC, Ingersol-Rand, International Harvester, Kennametal, National Mine Service and Research Cottrell. Joy Manufacturing was down a full point as weakness in overall mining continued.

Transportation presented a mixed bag, with three on the upside, three down and one incentive. Burlington Northern added 2-3/8 and was followed by Chicago North Western, up 1-7/8, due largely to the takeover of control of El Paso by Burlington Northern. The prospect of a potential transcontinental railroad through a merger of Norfolk Southern and Santa Fe Industries apparently held little interest for stockholders as both issues were down in the week's trading. Chicago North Western's strength is traced to the support of the Wyoming Supreme Court for the railroad's connector line to the Powder River Basin and composition with Burlington Northern.

Kaiser Steel Climbs

Coal users also closed the week at a stand-off, with three issues on the plus-side and three down. Kaiser Steel continued its upward trend, adding 2-1/4 as the possibility of a takeover by Minneapolis investor Irwin L. Jacobs gained credulity.

There was little in the overall market to have any real effect on coal-related issues during the week ended March 18. The Dow Jones Industrial Average closed at 1117.74, unchanged for the week. The Dow Jones Transportation Index continued strong, gaining 2.93 to close at 506.27, and the utility index eased 0.73, closing at 126.25. It wasn't the typical performance of recent months.

However, Wall Street seems to be taking a wait-and-see attitude towards coal stocks. A recent Merrill Lynch Economics energy update takes a good, hard look at coal worldwide and remains on the bullish side long-term. Among its major conclusions:

"With world coal trade expected to more than double in the next 10 years, U.S. coal exports should still manage to increase at a very strong rate of 7 percent per year.

"Overall demand for steam coal could increase by as much as 15 million tons as a result of the number of coal-fired power stations expected to come on stream worldwide. But world coal trade of thermal coal must be reduced to reflect the expectation that uneconomic inventory levels will be run down as soon as is practical."

March 18, 1983

company	sales 100s	wks. high	wks. low	last	net chg
Coal Companies					
Amax	3901	24⅞	22¾	23¼	-1⅝
AEIPw/a	6962	19	18⅝	18¾	-⅛
AshlOil/b	2890	31¼	28	28⅝	-2¼
BethStl/c	4286	23	22	22¼	-⅞
Boeing/d	9920	38½	36¾	38	+½
DuPont/e	10020	41⅜	39½	39⅞	-⅞
EastGF	1215	20⅞	19¾	20⅜	+⅛
ElPaso	8174	17⅛	16⅜	16½	-⅝
Exxon/g	33370	31¼	30	30¼	-¾
GenEl/h	10391	104⅜	101½	101⅞	-⅝
Grace/i	4312	43½	40⅜	40½	-2½
GulfOil/u	14136	32	30¾	30⅞	-½
Hanna/j	1282	26⅛	23⅛	26	+2½
KerrMc	4313	32	29¼	29⅞	-1⅞
Mapco	3613	23⅜	22	22⅝	-¾
Mobil	18393	28¾	26	26⅛	-2⅝
MonPw/k	2294	26⅞	26½	26¾	...
Newmt/l	3171	52¾	49¼	49⅞	-2
NACoal	281	33	31¼	31¾	+¼
OcciPet/m	9393	19⅛	18¼	18⅜	-⅝
PacPw/n	x3264	21¾	20⅝	21⅛	+⅜
PaPL/f	2212	23⅝	23⅛	23⅜	-¼
PhilPet	17503	34	30½	30⅞	-2⅝
Pittstn	3607	14⅝	13⅞	14	-⅛
ShellO	4341	38⅝	35¾	35¾	-2⅜
StOilCl/o	18852	37⅜	34⅜	34⅞	-1¾
StdOOh/p	13571	42½	38	38	-3⅛
SunCo	2779	33½	31⅛	31¼	-1⅝
Texaco	10830	33	32	32¼	-¼
TexUtil	10907	23⅝	23¼	23⅜	...
USSteel	9407	23⅝	21½	21⅝	-1¾
UtaPL	4889	22⅜	21¼	22¼	+⅜
WaltJm	2720	w39¾	36½	39¼	+2
West	204	22⅞	22	22¼	-⅝
William/q	4630	22½	20⅞	21	-⅞
Suppliers					
ACF	922	32⅛	30¾	31⅞	-⅛
AllisCh	1050	14	13⅛	13½	+⅜
BucyEr	1283	15	14⅛	14¼	-¾
CatrpT	10041	42⅝	40	40	-2⅝
Chryslr	11570	16¾	15¾	16½	-⅛
CmbEn	3243	38	35⅛	35¾	-2¼
DowCh	20885	32½	29¼	29⅞	-1⅝
Dravo	465	13⅞	12⅞	12⅞	-¾
Dresr/r	14550	16¾	15	16	-⅝
FMC	1276	36⅞	34¾	35⅞	-⅞
Firest	5929	19	18	18¼	-½
Fluor/s	4191	21⅝	20⅛	20⅛	-1⅜
FordM	13749	40	38⅝	40	-¼
GTE/t	21739	40⅞	39¾	39⅞	-½
GMot	23463	60¼	58¾	60	+⅛
GTire	692	31¼	29¾	30½	-1¾
Gdrich	6308	w37¾	34¼	37	+2⅛
Goodyr	23840	30⅛	28⅜	28¾	-1¼
IngerR	1383	45⅝	44⅜	44⅞	-⅝
IntHarv	4263	6⅛	5¾	5¾	-¼
JoyMfg	2201	25⅝	23⅜	24⅜	-1
Kenmt	317	28⅜	27½	27⅝	-⅜
McDnD	3300	49¼	47	49	+1¾
NMineS	118	8	7⅝	7⅝	-¼
Penwlt	4392	w40⅜	38¾	39¾	+1
RshCot	569	16	15¼	15⅞	-⅛
Signal/y	7899	31	29⅞	31	-¼
Tenneco	11199	35½	33⅜	33½	-1⅝
UnCarb	5260	59⅞	58¼	58⅝	-1⅛
WestgE	6004	48¼	46	46⅞	+½
Transportation					
BrlNth	4930	w73	69⅞	73	+2¾
CSX	3348	57¾	55⅞	57½	+⅞
CNWst	1602	33⅛	30⅛	31⅜	1⅞
ICInd	—	—	—	—	—
NorSo	4018	55½	54	54½	-⅞
SFeInd	8275	26¼	25	25⅛	-1¼
UnPac	10882	48⅜	45	45¾	-2
Users					
Alcoa	6121	34¼	32⅞	33	-⅛
InldStl	1379	31½	30⅜	30¾	-1⅛
KaisCe	1033	w27⅞	26⅛	27¾	+1¾
KaisrSt	3433	42½	39⅛	41½	+2¼
NatlStl	887	23¼	22¼	23	+½
RepStl	895	22¾	21¾	22	-⅝
WhelPit	535	18½	17¾	18¼	-⅝

a/owns Central Ohio Coal, b/owns 50 percent of Arch Mineral, c/owns Bethlehem Mines, d/owns 15 percent of Peabody Holding Co., e/owns Conoco and Consolidation Coal, f/owns Greenwich Collieries, Rushton Mining and Tunnelton Mining, g/owns Exxon Coal, h/owns Utah International, i/owns 50 percent of Colowyo Coal, j/owns 50 percent of Colowyo Coal, k/owns Western Energy, l/owns 27.5 percent of Peabody Holding, m/owns Island Creek Coal Co., n/owns Nerco, o/owns 20 percent of Amax, p/owns Old Ben Coal Co., q/owns 27.5 percent of Peabody Holding Co., r/owns Jeffrey Mining, s/owns 10 percent of Peabody Holding Co., t/owns American Mine Tool, u/owns Pittsburg and Midway Coal Mining Co., w/new 52-week high, x/ex-dividend and sales in full, y/controls Wheelabrator-Frye.

COAL INDUSTRY PEOPLE

David G. Todd has been named vice president of government and regulatory affairs for Ashland Coal Inc.

The board of directors of Union Pacific Corp. announced the election of **William S. Cook** as chief executive officer succeeding **James H. Evans** who will continue as chairman.

Long-Airdox Co., a division of the Marmon Group Inc., has named **William Harrison** manager and **Richard Fortney** sales representative for the company's new Longwall Products division in Pittsburgh.

L. Douglas Thompson has been named corporate director of manufacturing for Dayco Corp.

Professional Services Directory

APPALACHIAN COAL SURVEYS
GEOPHYSICAL SERVICES - Slim Hole Logging Specialists
- COMPLETE LOGGING SUITES - density, gamma, neutron, sonic, electric, temperature, verticality
- COAL DENSITY LOGS - 1/2 inch primary spacing
- DEGREED OPERATORS - trained in interpretation, skilled in troubleshooting

GEOLOGICAL CONSULTING - Experts in Modern Exploration Techniques
- FIELD MANAGEMENT & DRILL SUPERVISION
- COAL RESERVE STUDIES & DELTAIC MODELING
- PHOTOGEOLOGICAL INVESTIGATIONS
- PREDICTIVE GEOLOGY For MINING CONDITIONS
- GROUNDWATER MONITORING SYSTEMS

Contact:
Craig B. Clemmons C.P.G.S.
P.O. Box 17203
Pittsburgh, PA 15235
Telephone (412) 243-3039

BRITISH MINING CONSULTANTS (USA) LTD.
Consulting engineers in mining, materials processing, general engineering and management services.
P.O. Box 2339, Fairfax, Va. 22031
703-691-9223

MDS MINING DATA SYSTEMS
A div. of Petroleum Data Systems, Inc.
Provides unique and efficient systems to help you manage your mineral properties and claims. Computer-based up-to-date economical practical systems designed and developed by landmen for operations of all sizes.
toll free 800-525-1631 or 303-839-5487 (in CO)
835 E. 18th St., Denver, CO 80218

The Norwest Group
NorWest
Consultants to the coal industry:
Surface & Underground Mining
Geology, Utilization
Coal Preparation & Handling
Marketing, Economics

Norwest
Resource
Consultants
Calgary, Alberta
403-237-7763
Denver, Colorado
303-773-6605
Salt Lake City, Utah
801-364-5343

MINING AND GEOLOGICAL ENGINEERS
400 Oliver Building
Mellon Square
Pittsburgh, PA 15222
(412) 562-1770
Telex No. 866361

JTB JOHN T. BOYD COMPANY
Denver, Colorado (303) 861-4339
Huntington, West Virginia (304) 697-5504
Houston, Texas (713) 658-8961
New York, New York (212) 370-1819

Gates&Fox Company, Inc
[illegible]
Construction & Mining
Services — Engineering — Management
6030 KING RD., P.O. BOX 105
LOOMIS, CA 95650 (916) 652-7292

Gilbert/Commonwealth
Environmental Impact Assessment
Coal Analysis • Reclamation
Site & Facility Engineering
Engineers and Consultants
Jackson, MI (517) 788-3500
Denver, CO (303) 741-2600

North American Consultants, Inc.
NACI
Engineering
Feasibility Studies
Surface Mining
Underground Mining
Longwall Application
Coal Preparation
Mine Construction
Operations Management
Geotechnical Studies
Computer Application
Productivity & Safety Analysis
Geology
Exploration
Drilling Programs
Reserve Studies
Quality Analysis
Environmental
Mine Permitting
Hydrologic Studies
Reclamation
Soils/Land Use
Waste Disposal
Cultural Resources
Environmental Management
13140 COIT RD. DALLAS, TX. 214/644-5001

DAVIS
INSTRUMENT MANUFACTURING CO., Inc.
513 E. 36th Street, Baltimore, MD 21218
301-243-4301
America's first & finest precision vane Anemometers have been used in coal mines for over 60 years to insure meeting ventilation requirements.

MACKS-LIFE CERAMICS
MACK'S MOTOR CO., INC.
1583 NORTH MAIN STREET
WASHINGTON, PA. 15301
(412) 222-5740
- CENTRIFUGE REPAIRS
- CUSTOM FABRICATION AND CERAMIC LINING
- AUTHORIZED HUMBOLDT-WEDAG SERVICE CENTER
- QUALITY WORKMANSHIP • FREE PICK-UP AND DELIVERY

Puglese & Associates, Inc.
Coal Preparation Specialists
Consulting • Feasibility Studies
Project Management
Plant Planning and Design
21 Windermere Drive
Valencia, PA 16059
412-898-1620

Paul & McDonald Associates, Inc.
AIR POLLUTION CONTROL TECHNOLOGY
- Feasibility Studies
- Coal Sourcing
- Impact of Coal and Ash Properties on Boiler Operation and Air Pollution Control

Two Riverside Office Plaza, Suite 106
Birmingham, Alabama 35244
205-988-3192

* * * * *

For DIRECTORY information, call toll free
800-368-5803
or 202-638-6127
(Wash., D.C.)
Ask for Judy Grill

* * * * *

L. J. HUGHES & SONS, INC.
DIAMOND CORE DRILLING
PRESSURE GROUTING
FOUNDATION AND SOIL BORINGS
320 Turnpike Rd.
Summersville, West Virginia 26651
304-872-1111

David Staley and Co
1601 DuBois Tower
Cincinnati, Ohio 45202
(513) 621-7793
FINANCIAL SYSTEMS CONSULTANTS TO COAL INDUSTRY
—COMPUTER SOFTWARE AND HARDWARE EVALUATION/SELECTION
—INSTALLATION AND USER TRAINING
—COAL INDUSTRY TURNKEY SYSTEMS AVAILABLE

BEST AVAILABLE COPY

FACTS & FIGURES

Domestic

	WEEKLY 3/12/83	3/5/83	3/13/82
Production			
Bituminous, recent week	14,860	15,181	17,980
Bituminous, year to date	**146,800**		**169,352**
Anthracite, recent week	77	78	90
Anthracite, year to date	**767**		**1,028**
Railroad carloadings			
Bituminous, recent week	99,508	101,748	121,214
Bituminous, year to date	**982,322**		**1,142,008**
Anthracite, recent week	50	106	141
Anthracite, year to date	**697**		**1,443**

Production data in thousands of short tons.
Source: U.S. Department of Energy, Energy Information Administration—Weekly Coal Report.

	WEEKLY 3/12/83	3/5/83	3/13/82
Production by states, bituminous and lignite			
Eastern			
Alabama	468	479	585
Georgia	—	—	—
Illinois	1,171	1,197	1,335
Indiana	543	555	657
Kentucky:			
Eastern	1,951	1,993	2,361
Western	689	704	903
Total, Ky.	**2,640**	**2,697**	**3,264**
Maryland	68	69	88
Ohio	683	698	842
Pennsylvania	1,332	1,361	1,807
Tennessee	137	140	205
Virginia	656	671	903
West Virginia	2,379	2,431	2,628
Total, Eastern	**10,077**	**10,298**	**12,314**
Western			
Alaska	14	14	16
Arizona	208	212	226
Arkansas	4	4	4
Colorado	332	339	411
Iowa	10	10	12
Kansas	15	15	16
Missouri	91	93	113
Montana	491	501	698
New Mexico	327	334	411
North Dakota	330	337	375
Oklahoma	95	97	115
Texas	614	627	678
Utah	304	310	308
Washington	75	76	107
Wyoming	1,873	1,914	2,176
Total Western	**4,783**	**4,883**	**5,666**
Total, United States	**14,860**	**15,181**	**17,980**

In short tons (000).
Source: U.S. Department of Energy, Energy Information administration—Weekly Coal Reports.

	MONTHLY 1/83	12/82	1/82
Coal Labor			
All employees			
Coal Mining	205.2	206.4	250.0
Bituminous & Lignite	202.1	203.3	246.5
Production employees			
Coal mining	164.0	165.3	207.1
Bituminous & Lignite	161.3	162.5	204.0
Hours, weekly average			
Coal mining	39.8	39.8	40.9
Bituminous & Lignite	39.8	39.9	40.9
Earnings, hourly average			
Coal mining	13.24	13.20	12.40
Bituminous & Lignite	13.29	13.25	12.44
Earnings, weekly average			
Coal mining	526.95	525.36	507.16
Bituminous & Lignite	528.94	528.68	508.80

Source: U.S. Department of Labor, Bureau of Labor Statistics—Employment and Earnings.

	MONTHLY 12/82	11/82	12/81
Bituminous and Lignite Consumption			
Electric power utilities	50,814	47,699	52,968
Coal user stocks of coal			
Electric power utilities	170,468	171,335	158,258
Anthracite			
Consumption			
Electric power utilities	99	100	148
Coal user stocks of coal			
Electric power utilities	6,080	6,060	5,537

Note: Data give in thousands of short tons.
Source: U.S. Department of Energy Information Administration—Weekly Coal Report.

	12/82	11/82	12/81
Coal User Production			
Major district users:			
Electric utilities (Mil Kwh.)			
Monthly	100,970	95,547	106,608

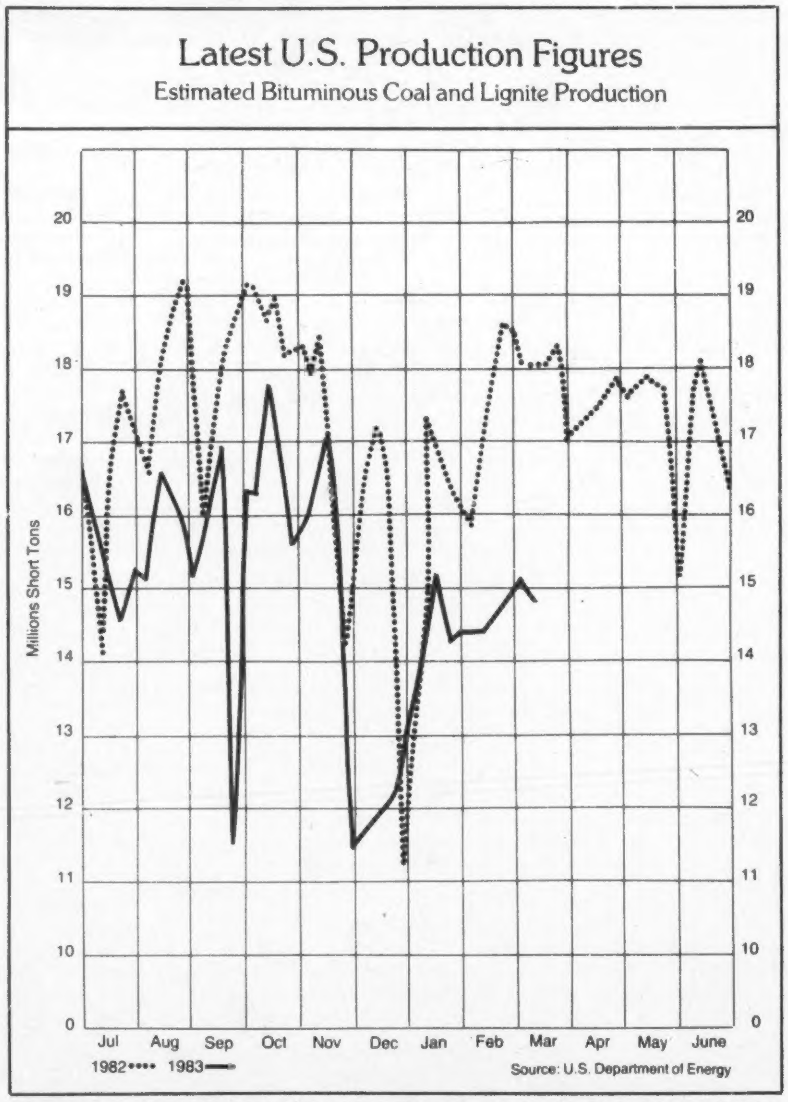
	MONTHLY 2/83	1/83	10/82
Price Indexes			
Bituminous Coal and Lignite	104.2	103.6	104.8
Primary Products	103.2	101.8	103.7
Prepared	103.5	103.4	104.0
Steam electric utilities	104.3	104.4	104.9
North Appalachia	99.5	100.7	102.3
Spot	N.A.	N.A.	N.A.
Contract	N.A.	100.8	102.5
South Appalachia			
Contract	98.0	N.A.	99.8
Midwest	109.3	108.8	108.8
Contract	110.6	110.0	109.2
West	109.1	109.1	109.1
Contract	109.1	109.1	109.1
Metallurgical/coke producer	101.2	101.1	101.7
High volatile	100.4	99.9	100.2
North Appalachia	97.2	97.2	97.2
Contract	N.A.	97.2	97.2
South Appalachia			
Contract	102.3	101.4	101.8
West	99.0	99.0	100.7
Low volatile	100.3	101.2	102.8
North Appalachia			
Contract	97.8	N.A.	100.9
South Appalachia			
Contract	102.4	N.A.	104.4
All other industrial	101.1	99.6	99.3
North Appalachia			
Contract	92.4	92.4	90.0
Midwest			
Contract	107.0	107.0	107.2
Unprepared (raw)	102.5	96.3	102.7
For preparation at other establishments	N.A.	N.A.	N.A.
For use without preparation	N.A.	N.A.	N.A.
Anthracite	153.2	153.3	153.8
Primary products	152.0	152.0	152.5
Prepared anthracite shipped	153.9	153.9	154.5
Stove	151.2	151.2	151.1
Chestnut	148.4	148.7	150.9
Pea	160.3	160.3	160.3
Buckwheat no. 1	149.0	149.0	149.0
Buckwheat no. 2	160.8	160.8	160.8
Buckwheat no. 4	143.9	143.9	143.9
Buckwheat no. 5	110.2	110.2	112.0

N.A.—Not Available

Source: Bureau of Labor Statistics, Department of Labor.
Note: The Bureau of Labor Statistics has recalibrated its producer price index figures for bituminous and lignite, as well as reorganizing its pricing categories. The new index is based on a compilation of average prices for December 1981, and that month appears as 100. The former index used June 1976 prices as its base.

Latest U.S. Production Figures

Estimated Bituminous Coal and Lignite Production



Source: U.S. Department of Energy

COMBINED BITUMINOUS AND LIGNITE production in the United States fell 2.1 percent the week ending March 12 from the previous week's level and remained below last year's levels as well, according to the Department of Energy's Energy Information Administration. Production was 14.86 million short tons, down 321,000 from the previous week and 3.12 million or 17.4 percent below the year-ago level of 17.98 million short tons. Year-to-date U.S. production of bituminous and lignite the week ending March 12 totaled 146.8 million short tons, down 13.3 percent from the corresponding 1982 period.

Exports & Imports

	Quantity in short tons 1/83	12/82	1/82	Dollar Value 1/83	12/82	1/82	Avg. Value per short ton 1/83	12/82	1/82
Bituminous coal, low volatile blends to make coke No. 5213110									
Belgium	167,431	103,620	285,746	8,190,265	5,986,098	4,559,592	48.91	57.76	50.95
Brazil	168,265	329,061	327,239	7,623,384	14,443,340	16,807,270	45.30	43.89	51.36
Canada	250	104,333	1,260	7,370	7,162,882	49,600	29.48	68.65	39.36
France	366,926	225,273	264,052	17,867,580	12,702,940	9,967,483	48.69	56.38	37.74
Germany, F.R. (West)	84,011	125,745	114,548	3,973,062	6,873,353	6,017,629	47.29	54.66	52.53
Italy	473,658	715,899	858,002	22,548,829	32,752,442	42,880,186	47.60	45.75	49.97
Japan	1,407,389	777,756	2,180,461	87,098,766	45,882,441	121,747,643	61.88	58.99	55.83
Netherlands	289,929	83,830	96,552	16,032,457	4,863,945	5,673,286	55.29	58.02	58.75
Spain	219,002	231,570	217,121	10,743,839	10,166,975	10,058,073	49.05	43.90	46.32
Sweden	68,811	85,084	63,606	4,129,561	3,714,928	3,374,153	60.01	43.66	53.04
United Kingdom	—	104,250	165,388	—	5,864,063	10,132,713	—	56.25	61.26
Yugoslavia	—	134,239	38,718	—	8,104,512	2,300,673	—	60.37	59.42
Total, above	3,245,672	3,020,660	4,612,693	178,215,113	158,517,919	243,568,301	54.90	52.47	52.80
Total, other nations	258,271	643,394	684,901	14,486,799	36,539,284	36,967,028	56.09	56.79	53.97
Total, all nations	**3,503,943**	**3,664,054**	**5,297,594**	**192,701,912**	**195,057,203**	**280,535,329**	**54.99**	**53.23**	**52.95**

	Quantity in short tons 1/83	12/82	1/82	Dollar Value 1/83	12/82	1/82	Avg. Value per short ton 1/83	12/82	1/82
Bituminous coal, others No. 5213120									
Belgium	—	8,693	—	—	391,358	—	—	45.01	—
Canada	1,397	595,532	1,082	67,123	29,734,911	53,630	48.04	49.92	49.56
China, Taiwan	—	183,148	124,972	—	8,357,286	5,261,352	—	45.63	42.10
Denmark	166,527	49,851	124,955	7,489,837	1,481,112	6,561,985	44.97	29.71	52.51
Finland	68,849	135,739	—	2,855,258	5,743,047	—	41.47	42.30	—
France	55,974	507,581	64,292	2,099,051	21,125,688	2,314,512	37.50	41.62	36.00
Germany, F.R. (West)	59,792	99,981	—	3,480,749	5,692,635	—	58.21	56.93	—
Italy	68,863	304,125	199,003	3,794,[illegible]18	15,199,774	9,811,342	55.10	49.97	49.30
Japan	142,802	191,028	301,750	6,793,968	9,323,637	14,523,143	47.57	48.80	48.12
Netherlands	122,759	126,126	224,763	5,589,853	7,230,356	13,307,936	45.53	57.32	59.20
Spain	245,836	310,486	131,999	10,092,568	12,686,989	7,252,277	41.05	40.86	54.59
Total, above	932,799	2,512,290	1,172,816	42,263,325	116,966,793	59,086,179	45.30	46.55	50.37
Total, other nations	301,418	292,190	138,328	14,515,436	13,568,536	5,865,016	48.15	46.43	42.39
Total, all nations	**1,234,217**	**2,804,480**	**1,311,144**	**56,778,761**	**130,535,329**	**64,951,195**	**46.00**	**46.54**	**49.53**
Lignite No. 5213130									
Total, all nations	**1,293**	**317**	**1,057**	**97,027**	**61,516**	**262,544**	**75.04**	**194.05**	**248.38**
Coal coke for use as fuel No. 5213148									
Total, all nations	**55,667**	**28,510**	**42,595**	**4,305,112**	**2,547,439**	**3,685,632**	**77.33**	**89.35**	**86.52**
Petroleum coke, except calcined No. 5213150									
Canada	33,032	79,490	13,741	1,070,080	1,952,487	683,383	32.39	24.56	49.73
Japan	379,969	242,157	117,104	15,746,012	8,221,003	6,661,770	41.44	33.94	56.46
Netherlands	174,308	197,552	28,744	7,109,585	6,505,018	1,524,235	40.78	32.92	53.02
Total, above	587,309	519,199	159,589	23,925,677	16,678,508	8,819,388	40.73	32.12	55.26
Total, other nations	614,716	565,578	339,627	17,161,618	15,277,353	19,487,696	27.91	27.01	57.37
Total, all nations	**1,202,025**	**1,084,777**	**499,216**	**41,087,295**	**31,955,861**	**28,307,084**	**34.18**	**29.45**	**56.70**
Compositions for fuel No. 5213160									
Total, all nations	**64**	**243**	**288**	**12,645**	**73,626**	**26,398**	**197.57**	**302.98**	**91.65**
Anthracite No. 5213170									
Korea Rep. (South)	—	35,649	141,668	—	1,228,920	5,489,631	—	34.47	38.74
Total, all nations	**4,702**	**43,186**	**146,982**	**687,940**	**1,573,066**	**5,975,353**	**146.30**	**38.74**	**40.65**

C2350-1 4/25/83

COAL INDUSTRY NEWS

Coal's National Newspaper

BULK RATE
U.S. POSTAGE
PAID
Permit No. 332
Des Plaines, IL 60018

APRIL 11, 1983 1301 Pennsylvania Ave., N.W., Washington, D.C. 20004 Volume 7, Number 7 $1 a Copy; $24 a Year

NEWS ROUNDUP

Interior Secretary James Watt approved **a coal mining agreement between Shell Oil Co. and the Crow Indian Tribe of Montana.** Under the agreement, Shell will begin mining an estimated 210 million tons from a 2,560-acre tract in the Youngs Creek area of the Crow reservation. The tribe will receive $12 million in pre-production payments and a royalty, subject to adjustment, of 12.5 percent. An annual minimum royalty of $3 million, beginning in 1986, is also guaranteed under the contract.

European coal demand will increase slowly until about 1990, representatives of the European Economic Community told a New Orleans conference. Dr. Siegfried von Ludwig, head of the EEC's coal policy division, said that while consumption won't dramatically climb, neither will coal production. He said this effectively offers **a potential market for increased U.S. exports, especially after 1990** when consumption is expected to climb at a more rapid pace.

* * *

The Mine Safety and Health Administration says that **some mine operators have been putting independent contractors through needless paperwork** by requiring them to have MSHA certification prior to bidding on work at mines. In a memorandum to operators, MSHA said that unless cited for a violation, permits will be required only for independent contractors performing work at mine sites or contractors performing one or more of the nine types of services or construction at mines listed in two memoranda issued Dec. 3. The nine areas cover mine development, construction and demolition; dam construction; equipment installation and, in certain cases, service; excavation or earthmoving involving mobile equipment; material handling, and drilling and blasting.

* * *

Two more coal mines closed last week as Eastover Mining Co., a subsidiary of Duke Power Co., said it was shutting down the Brookside mine near Harlan, Ky., and the Eastover mine in Virginia City, Va. The two mines are for sale as part of Duke Power's withdrawal from the coal mining sector. Eastover said the Highsplint mine near Harlan will continue production and is also for sale.

* * *

Blaming depressed export and domestic coal markets, Rio Grande Industries Inc. and Consolidation Coal Co. **cancelled plans to build 62 miles of railroad between Acco and Emery, Utah.**

* * *

Postcript to the National Mine Service takeover: **Anderson Strathclyde**

(Continued on page 2)

The Emphasis is on Efficiency in the East

WHEN THE MARKET'S DEPRESSED, mining companies emphasize the positive. Among firms with reserves in the eastern United States, the emphasis is on improving efficiency despite layoffs and mine shutdowns. Companies like Pittston, while having to tighten its belt, are also using the present downtime to "upgrade and modernize plant and equipment in preparation for more efficient operations when the coal market recovers." For a closer look at eastern mining in 1983, turn to this issue's Focus on page 4.

4 Approaches Presented to Lower Mississippi Gateway Export Costs

NEW ORLEANS — A Louisiana governor's task force has found four ways to cut transportation costs of exporting coal from the mouth of the Mississippi River by $3.1 billion to $3.5 billion through the year 2030.

The four options, part of 30 examined in the first phase of a deep river study for the Task Force on Deep Draft Vessel Access, will be narrowed to a single choice in Phase II of the study. A report on the choice will be issued in mid-May and will contain financing recommendations.

The plan envisioning the largest net savings would dredge the lower Mississippi up to mile 172 to a depth of 50 feet.

The other three choices, which would save about $3.1 billion in transporation charges compared to leaving the channel as is, would either dredge to a lower depth or dredge in stages, ending with either a 50- or 55-foot channel by 2005.

Some of those options considered dredging as far as 232 miles up-river, but escalation of operation and maintenance costs become high enough to cut potential savings to $1.5 billion for these more ambitious programs.

Non-Dredging Alternatives

Also considered were non-dredging alternatives — transfer terminals further out in the Gulf of Mexico, topping-off facilities, wide-beam ships of high tonnage and shallow draft and buoyancy assisters to allow full loading of deep-draft vessels without scraping existing channel bottoms.

Some of the non-dredging plans might find their ways into the final recommendation, the Phase I study indicates.

Salt water intrusion — one of the prime environemental considerations of any dredging plan — would not extend up-river beyond the historical limit of the Mile 116 marker even under low river discharge flows as low as 100,000 cubic feet per second if the river were deepened to 55 feet, the report concluded.

The "saline wedge," the point at which chloride concentrations reached 5,000 parts per million, would not extend beyond the Mile 0 marker at discharge rates of 300,000 cubic feet per second.

But the study points out that the saline wedge during intermediate discharge flows would drift about 10 miles farther north than is normal for those conditions if the river were dredged to 55 feet.

That is enough for three publicly owned area water works that feed off the river to undergo modifications to "maintain the present levels of potable water," the study says. However, these modifictions could be minimized if the Corps of Engineers constructed sills to slow the saline intrusions.

Dredging operations would also likely convert some estuarine water bodies in certain wildlife refuges to upland marsh habitat. The impacts of that, the study said, have so far "not been addressed in sufficient detail."

Federal Leasing Program Faces New Pressures

By Steve Marcy

WASHINGTON — Allegations that 10 bidders in last year's Powder River Basin federal coal lease sale illegally drilled test cores are only the most recent in a series of judicial and congressional pressures jeopardizing the federal coal program.

The entire set of federal coal leasing regulations issued last July is under challenge in federal distict court here for not adequately considering environmental impacts, property rights of area landholders and for not meeting planning requiements of the Federal Land Policy Management Act (FLPMA).

The Powder River Basin sale, the largest ever and the prototype for all subsequent sales, is the target of a suit by environmentalists and others in a Billings, Mont., federal district court for using procedures that failed to guarantee the government would receive at least fair market value for its coal.

Plaintiffs and the Interior Department are awaiting the court's reply on a motion for summary judgment against Interior's conduct of the sale.

Procedures Not Specified

Some observers indicate the plaintiffs might have a weak case in their Billings suit in that the 1976 coal leasing amendments to the Minerals Lands Act did not specify procedures for Interior to follow in arriving at fair market value.

Yet that will also be the issue before the House Interior Subcommittee on oversight and investigations, chaired by Interior critic Edward Markey, D-Mass., at hearings planned for early May.

Markey will be armed with a General Accounting Office report to be released late this month. Sources say it will conclude that Interior reaped only 10 percent to 30 percent of value of the 11 tracts it sold for $54.6 million. Only three of those received more than one bid, and two others were

(Continued on back page)

INSIDE

COAL SHIPPERS petitioned an Interstate Commerce Commission member to void her rail rate vote for export-bound coal because they believe it violated ICC conflict-of-interest rules, reports Steve Marcy **on page 2.**

AN EXPERIMENTAL underground miner being developed in California uses oil and gas drilling technology for its remote-control tunneling. Jane De Lorenzo takes a closer look in a **West Coast Report on page 5.**

ALASKA MAY BECOME the first state to ship coal to a Pacific Rim country with a newly-signed 15-year contract with Korea. That and other **Reports from our Correspondents on page 7.**

31 of 79 Coal and Coal-Related Issues Decline on the Stock Market

NEW YORK — Trading in coal-related stocks was not very rewarding in the holiday-shortened week ending March 30. Thirty-one issues in the *Coal Industry News* list of 79 stocks were down and eight closed unchanged.

As in recent weeks, this activity mirrored the general behavior of the stock market. The Dow Jones Industrial Average closed the week at 1,130.03, down 10.06, or 0.88 percent. The transportation index fell 8.18 to close at 507.39, a drop of 1.59 percent, and the utility index slipped 1.80, off 1.42 percent to a close of 124.54.

Thirteen of the stocks in the *Coal Industry News* list wound up on the Associated Press-Media General Financial Service's list of 50 most active issues for the week. They included Chrysler, second most active, with 5.7 million shares traded; Exxon, fourth most active with a volume of 3.8 million shares; and Phillips Petroleum in tenth place with 2.5 million shares changing hands.

Others in the second 10 were, in order: Mobil — eleventh; Dow Chemical — fifteenth; Standard Oil of California — eighteenth; and General Motors — twentieth.

Stocks of equipment suppliers to coal continued weak as there were few, if any, signs of a pick-up in coal mining activity. Fifteen of the 30 issues in this category posted losses and three — Chrysler, Dravo and Fluor — were unchanged. National Mine Service continued its downward slide, slipping another 1/8 to close at 7-3/4. The stock has fallen gradually since Anderson Strathclyde PLC acquired 51 percent-control under a tender offer at $13.10 a share.

Media General placed National Mine Service in third place among major losers in first-quarter trading on the Big Board. The stock has toppled 39 percent during trading in this period.

Other equipment makers that posted declines included Allis-Chalmers, off 1-1/4, and Caterpillar, down 2-1/4. Fractional declines were shown by Ingersoll-Rand, International Harvester and Joy Manufacturing, Westinghouse dropped 1-3/4 following a New York security analysts meeting at which management indicated a lack of pick-up in its operations in the reviving economy.

One other issue in the *Coal Industry News* list was cited by Media General for its first-quarter trading. That was Kaiser Steel, which ranked second in the list of gainers, rising 95.2 percent in the quarter. Its strength was traced to the hopes that the Irwin L. Jacobs group might make an offer to take over the company.

However, Kaiser Steel fell 1-5/8 in the most recent trading week. Kaiser Chemical was off 1/2, possibly as a reaction to that of the steel company. These were two of the 7 users of coal that fell as Alcoa and Wheeling-Pittsburgh Steel closed unchanged.

Despite the weakness in the Dow Jones transportation indicator, CSX was the only component of the 7 in our transportation list to close weaker, slipping 1/8. All of the others were strong, posting gains of more than a point with the exception of Norfolk Southern which eked out a gain of 3/4. This could be traced to the continuing weakness of coal mining in the Appalachian region in contrast with a stronger posture of the Western mines where long-term contracts are holding up better than spot market transactions in the East.

Twelve of the 35 coal company issues were down, including most of the utilities that mine coal. Three issues — Bethlehem Steel, El Paso and General Electric — were unchanged.

As the market reopened after the Good Friday closing, trading was slow and the Dow-Jones Average was off as much as 6 points near the close. Energy issues, up slightly, continued their upward trend in line with apparent stabilizing of oil prices and the recommendations of several brokerages to buy these issues.

March 30, 1983

company	sales 100s	wks. high	wks. low	last	net chg
Coal Companies					
Amax	5668	23⅜	22⅜	22⅞	-¼
AEIPw/a	5603	18⅞	18½	18⅝	-¼
AshlOil/b	1147	30½	28¼	29½	+1⅛
BethStl/c	3071	23	22⅜	22¾	...
Boeing/d	12064	w41¼	39⅞	40	-⅝
DuPont/e	12388	43	39⅞	41⅝	+1⅜
EastGF	4256	20¼	18⅜	18⅝	-1⅛
ElPaso	3784	17⅛	16½	16⅝	...
Exxon/g	37618	31⅜	29½	30⅞	+1
GenEl/h	7043	107½	103¾	105	...
Grace/i	1513	41⅝	40¼	41½	+¾
GulfOil/u	9059	33¾	31⅛	32	+⅞
Hanna/j	291	25¼	23½	24	-1¼
KerrMc	8430	33¾	28⅝	32⅝	+3⅜
MAPCO	1708	23⅜	22⅛	23¼	+⅝
Mobil	24633	29¼	25⅞	28¾	+2⅝
MonPw/k	x5157	27¼	26⅛	26⅝	-⅛
Newmt/l	1301	52¼	48¾	51¾	+1⅞
NACoal	129	32⅝	31¾	32½	+½
OcciPet/m	6469	20	18¾	19½	+½
PacPw/n	3886	21⅛	20	21	+⅜
PaPL/f	2483	23¾	22⅝	22¾	-⅞
PhilPet	24836	w37	30⅛	33⅛	+2⅝
Pittstn	6508	14¼	12⅞	13⅛	-⅞
ShellO	6156	40	34⅝	38⅝	+2⅝
StOilCl/o	19644	w39⅜	35⅛	38⅝	+2¾
StdOOh/p	10813	w43	39½	42	+2⅛
SunCo	3463	34⅜	31½	32¾	+1
Texaco	11455	33⅝	31	33	+1⅜
TexUtil	7359	23¾	23¼	23¾	+⅛
USSteel	4923	23⅜	22½	22⅞	+⅛
UtaPL	1367	22	21⅝	21¾	-¼
WaltJm	2972	44⅞	42	42⅛	-2½
West	170	23¼	22	22	-1¼
William/q	2996	23	21⅞	22⅝	-½
Suppliers					
ACF	1118	32¼	30½	31⅞	-⅝
AllisCh	918	15⅜	13⅝	13¾	-1¼
BucyEr	1092	14¼	13½	14	+⅜
CatrpT	6476	44¾	42½	42⅝	-2¼
Chryslr	57424	17¾	16⅝	17	...
CmbEn	2241	36¾	35½	35⅞	+¼
DowCh	x21856	29¼	27¼	27½	+⅜
Dravo	229	12⅞	12½	12¾	...
Dresr/r	8967	18	16⅛	17⅜	+1⅛
FMC	1241	38	36⅝	37⅝	+1⅛
Firest	x4687	19¼	18⅝	19	+½
Fluor/s	4619	20½	19¼	20	...
FordM	8547	41⅝	39½	40¼	+⅜
GTE/t	10841	40⅜	39¾	40¼	+¼
GMot	19211	60⅝	58¾	59⅜	-¼
GTire	1143	35⅛	33⅝	35	+1
Gdrich	1506	37⅞	37¼	37½	+¼
Goodyr	14451	29¾	28	28	-¾
IngerR	849	47	45⅛	45¼	-¼
IntHarv	2740	6⅝	6⅛	6¼	-⅜
JoyMfg	2881	25⅛	24	24⅝	-⅛
Kenmt	959	26¼	25	25¼	-1¼
McDnD	3498	w55⅞	52⅞	55	+2¼
NMineS	97	7⅞	7½	7¾	-⅛
Penwlt	597	38½	36½	38	-⅛
RshCot	337	16½	15½	15⅞	-¾
Signal/y	12418	30¾	28¾	29⅝	-1⅜
Tenneco	9090	36¼	33¾	35⅝	+1⅛
UnCarb	4341	61¼	[illegible]	59⅞	-1⅛
WestgE	7500	48¼	45¼	46	-1¾
Transportation					
BrlNth	3887	w76½	71⅜	75	+1⅜
CSX	3275	60⅝	59⅞	60	-⅛
CNWst	2735	w36¼	32¼	34⅝	+2⅛
ICInd	633	40⅝	38¾	40	+1⅛
NorSo	3479	57⅞	55¾	56¾	+¾
SFeInd	6789	25¼	23⅜	24¾	+1⅛
UnPac	13102	52	45⅝	49½	+3¼
Users					
Alcoa	5931	34	31¼	32⅛	...
InldStl	1936	31⅛	29¾	30⅝	+¼
KaisCe	1088	31⅝	29⅝	30¾	-¼
KaisrSt	2239	41⅝	38⅝	40	-1⅝
NatlStl	966	23½	22⅞	23⅜	+1
RepStl	513	21¾	21⅛	21¼	-3¾
WhelPit	482	18¾	18	18¾	...

a/owns Central Ohio Coal, b/owns 50 percent of Arch Mineral, c/owns Bethlehem Mines, d/owns 15 percent of Peabody Holding Co., e/owns Conoco and Consolidation Coal, f/owns Greenwich Collieries, Rushton Mining and Tunnelton Mining, g/owns Exxon Coal, h/owns Utah International, i/owns 50 percent of Colowyo Coal, j/owns 50 percent of Colowyo Coal, k/owns Western Energy, l/owns 27.5 percent of Peabody Holding, m/owns Island Creek Coal Co., n/owns Nerco, o/owns 20 percent of Amax, p/owns Old Ben Coal Co., q/owns 27.5 percent of Peabody Holding Co., r/owns Jeffrey Mining, s/owns 10 percent of Peabody Holding Co., t/owns American Mine Tool, u/owns Pittsburg and Midway Coal Mining Co., w/new 52-week high, x/ex-dividend and sales in full, y/controls Wheelabrator-Frye.

Nerco Vice President Chairs MARC

WASHINGTON — William W. Lyons has been elected chairman of the Mining and Reclamation Council at the organization' sixth annual meeting here.

The Nerco vice president succeeds Carl DelSignore, president of Buffal Coal Co., as head of the 300-member surface coal mining association.

Lyons joined Pacific Power and Light Co., parent company of Nerco, in 1977 as an assistant to the chairman and was elected vice president that September. He spent eight years with the Department of Interior before joining PP&L, rising to deputy undersecretary.

Professional Services Directory

APPALACHIAN COAL SURVEYS

GEOPHYSICAL SERVICES - Slim Hole Logging Specialists
- COMPLETE LOGGING SUITES - density, gamma, neutron, sonic, electric, temperature, verticality
- COAL DENSITY LOGS - 1/2 inch primary spacing
- DEGREED OPERATORS - trained in interpretation, skilled in troubleshooting

GEOLOGICAL CONSULTING - Experts in Modern Exploration Techniques
- FIELD MANAGEMENT & DRILL SUPERVISION
- COAL RESERVE STUDIES & DELTAIC MODELING
- PHOTOGEOLOGICAL INVESTIGATIONS
- PREDICTIVE GEOLOGY For MINING CONDITIONS
- GROUNDWATER MONITORING SYSTEMS

Contact:
Craig B. Clemmens C.P.G.S.
P.O. Box 17203
Pittsburgh, PA 15235
Telephone (412) 243-3839

MINING AND GEOLOGICAL ENGINEERS
400 Oliver Building
Mellon Square
Pittsburgh, PA 15222
(412) 562-1770
Telex No. 866361

JTB JOHN T. BOYD COMPANY

Denver, Colorado (303) 861-4339
Huntington, West Virginia (304) 697-5504
Houston, Texas (713) 658-8961
New York, New York (212) 370-1819

DAVIS
INSTRUMENT MANUFACTURING CO., Inc.
513 E. 30th Street, Baltimore, MD 21218
301-243-4301
America's first & finest precision vane Anemometers have been used in coal mines for over 80 years to insure meeting ventilation requirements.

★★★★★

SEEGMILLER INTERNATIONAL
[illegible]
Underground and Highwall Stability
Longwall Design • Support Load Densities • Floor Bearing Pressure • Chain and Barrier Pillars • Room Size and Support • Subsidence Analysis • Roof, Coal and Floor Material Properties • Highwall Design • Instrumentation • Geotechnical Testing
143 South 400 East SALT LAKE CITY, UTAH 84111 USA
Tel. 801-363-0606 Cables: ROCKENGR

BRITISH MINING CONSULTANTS (USA) LTD.
Consulting engineers in mining, materials processing, general engineering and management services.
P.O. Box 2339, Fairfax, Va. 22031
703-691-9223

Gates&Fox Company, Inc.
UNDERGROUND CONTRACTORS SINCE 195[illegible]
Construction & Mining
Services – Engineering – Management
6030 KING RD. P.O. BOX 105
LOOMIS, CA 95650 (916) 652-7292

Gilbert/Commonwealth
Environmental Impact Assessment
Coal Analysis • Reclamation
Site & Facility Engineering
Engineers and Consultants
Jackson, MI (517) 788-3500
Denver, CO (303) 741-2600

MACKS-LIFE™ CERAMICS
MACK'S MOTOR CO., INC.
1583 NORTH MAIN STREET
WASHINGTON, PA. 15301
(412) 222-5740
•CENTRIFUGE REPAIRS
•CUSTOM FABRICATION AND CERAMIC LINING
• AUTHORIZED HUMBOLDT-WEDAG SERVICE CENTER
•QUALITY WORKMANSHIP •FREE PICK-UP AND DELIVERY

L. J. HUGHES & SONS, INC.
DIAMOND CORE DRILLING
PRESSURE GROUTING
FOUNDATION AND SOIL BORINGS
320 Turnpike Rd.
Summersville, West Virginia 26651
304-872-1111

MINING DATA SYSTEMS
A div. of Petroleum Data Systems, Inc.
Provides unique and efficient systems to help you manage your mineral properties and claims. Computer-based up-to-date economical practical systems designed and developed by landmen for operations of all sizes.
toll free 800-525-1631 or 303-839-5487 (in CO)
835 E. 18th St., Denver, CO 80218

North American Consultants, Inc.
NACI

Engineering
Feasibility Studies
Surface Mining
Underground Mining
Longwall Application
Coal Preparation
Mine Construction
Operations Management
Geotechnical Studies
Computer Application
Productivity & Safety Analysis

Geology
Exploration
Drilling Programs
Reserve Studies
Quality Analysis

Environmental
Mine Permitting
Hydrologic Studies
Reclamation
Soils/Land Use
Waste Disposal
Cultural Resources
Environmental Management

13140 COIT RD. DALLAS, TX. 214/644-5001

Paul & McDonald Associates, Inc.
AIR POLLUTION CONTROL TECHNOLOGY
- Feasibility Studies
- Coal Sourcing
- Impact of Coal and Ash Properties on Boiler Operation and Air Pollution Control

Two Riverside Office Plaza, Suite 106
Birmingham, Alabama 35244
205-988-8192

For DIRECTORY information call:
Judy Grill 800-368-5802/202-638-6127

The Norwest Group
NorWest
Consultants to the coal industry:
Surface & Underground Mining
Geology, Utilization
Coal Preparation & Handling
Marketing, Economics

Norwest Resource Consultants
Calgary, Alberta
403-237-7763
Denver, Colorado
303-773-6605
Salt Lake City, Utah
801-364-5343

Pugliese & Associates, Inc.
Coal Preparation Specialists
Consulting • Feasibility Studies
Project Management
Plant Planning and Design
21 Windermere Drive
Valencia, PA 16059
412-898-1620

David Staley and Co.
1601 DuBois Tower
Cincinnati, Ohio 45202
(513) 621-7793
FINANCIAL SYSTEMS CONSULTANTS TO COAL INDUSTRY
—COMPUTER SOFTWARE AND HARDWARE EVALUATION/SELECTION
—INSTALLATION AND USER TRAINING
—COAL INDUSTRY TURNKEY SYSTEMS AVAILABLE

FACTS & FIGURES

Domestic

	WEEKLY 3/26/83	3/19/83	3/27/82
Production			
Bituminous, recent week	14,045	14,828	18,452
Bituminous, year to date	175,673		205,721
Anthracite, recent week	130	76	102
Anthracite, year to date	973		1,225
Railroad carloadings			
Bituminous, recent week	93,802	99,197	122,685
Bituminous, year to date	1,175,321		1,385,260
Anthracite, recent week	221	50	281
Anthracite, year to date	1,014		2,071

Production data in thousands of short tons.
Source: U.S. Department of Energy, Energy Information Administration—Weekly Coal Report.

	WEEKLY 3/26/83	3/19/83	3/27/82
Production by states, bituminous and lignite			
Eastern			
Alabama	443	467	593
Georgia	—	—	—
Illinois	1,107	1,169	1,360
Indiana	514	542	670
Kentucky:			
Eastern	1,844	1,947	2,505
Western	651	687	916
Total, Ky.	**2,495**	**2,634**	**3,421**
Maryland	64	68	91
Ohio	646	682	860
Pennsylvania	1,259	1,329	1,845
Tennessee	130	137	215
Virginia	620	655	930
West Virginia	2,249	2,375	2,665
Total, Eastern	**9,527**	**10,058**	**12,650**
Western			
Alaska	13	14	17
Arizona	196	207	230
Arkansas	4	4	4
Colorado	314	331	417
Iowa	9	10	13
Kansas	14	15	17
Missouri	86	91	115
Montana	464	490	725
New Mexico	309	326	435
North Dakota	312	329	385
Oklahoma	90	95	120
Texas	580	612	695
Utah	287	303	315
Washington	70	74	108
Wyoming	1,770	1,869	2,206
Total Western	**4,518**	**4,770**	**5,802**
Total, United States	**14,045**	**14,828**	**18,452**

In short tons (000).
Source: U.S. Department of Energy, Energy Information Administration—Weekly Coal Reports.

	MONTHLY 2/83	1/83	2/82
Coal Labor			
All employees			
Coal Mining	199.0	204.5	249.1
Bituminous & Lignite	196.3	201.5	245.6
Production employees			
Coal mining	158.6	163.5	206.1
Bituminous & Lignite	156.3	160.8	203.0
Hours, weekly average			
Coal mining	39.1	40.0	41.6
Bituminous & Lignite	39.1	40.0	41.5
Earnings, hourly average			
Coal mining	13.41	13.28	12.37
Bituminous & Lignite	13.45	13.33	12.41
Earnings, weekly average			
Coal mining	524.33	531.20	514.59
Bituminous & Lignite	525.90	533.20	515.02

Source: U.S. Department of Labor, Bureau of Labor Statistics—Employment and Earnings.

	MONTHLY 12/82	11/82	12/81
Bituminous and Lignite			
Consumption			
Electric power utilities	50,814	47,699	52,968
Coal user stocks of coal			
Electric power utilities	170,468	171,335	158,258
Anthracite			
Consumption			
Electric power utilities	99	100	148
Coal user stocks of coal			
Electric power utilities	6,080	6,060	5,537

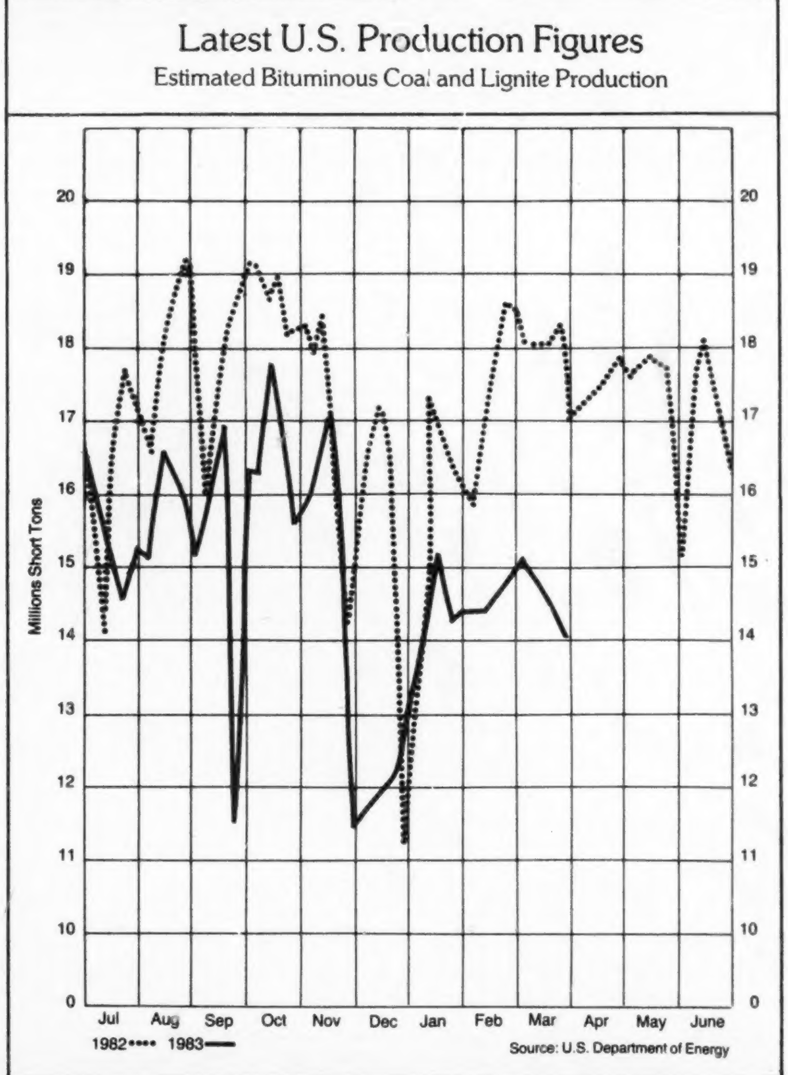
Note: Data give in thousands of short tons.
Source: U.S. Department of Energy, Energy Information Administration—Weekly Coal Report.

	12/82	11/82	12/81
Coal User Production			
Major district users:			
Electric utilities (Mil Kwh.)			
Monthly	100,970	95,547	106,608

Price Indexes	MONTHLY 2/83	1/83	10/82
Bituminous Coal and Lignite	104.2	103.6	104.8
Primary Products	103.2	101.8	103.7
Prepared	103.5	103.4	104.0
Steam electric utilities	104.3	104.4	104.9
North Appalachia	99.5	100.7	102.3
Spot	N.A.	N.A.	N.A.
Contract	N.A.	100.8	102.5
South Appalachia			
Contract	98.0	N.A.	99.8
Midwest	109.3	108.8	108.8
Contract	110.6	110.0	109.2
West	109.1	109.1	109.1
Contract	109.1	109.1	109.1
Metallurgical/coke producer	101.2	101.1	101.7
High volatile	100.4	99.9	100.2
North Appalachia	97.2	97.2	97.2
Contract	N.A.	97.2	97.2
South Appalachia			
Contract	102.3	101.4	101.8
West	99.0	99.0	100.7
Low volatile	100.3	101.2	102.8
North Appalachia			
Contract	97.8	N.A.	100.9
South Appalachia			
Contract	102.4	N.A.	104.4
All other industrial	101.1	99.6	99.3
North Appalachia			
Contract	92.4	92.4	90.0
Midwest			
Contract	107.0	107.0	107.2
Unprepared (raw)	102.5	96.3	102.7
For preparation at other establishments	N.A.	N.A.	N.A.
For use without preparation	N.A.	N.A.	N.A.
Anthracite	153.2	153.3	153.8
Primary products	152.0	152.0	152.5
Prepared anthracite shipped	153.9	153.9	154.5
Stove	151.2	151.2	151.1
Chestnut	148.4	148.7	150.9
Pea	160.3	160.3	160.3
Buckwheat no. 1	149.0	149.0	149.0
Buckwheat no. 2	160.8	160.8	160.8
Buckwheat no. 4	143.9	143.9	143.9
Buckwheat no. 5	110.2	110.2	112.0

N.A.—Not Available

Source: Bureau of Labor Statistics, Department of Labor.
Note: The Bureau of Labor Statistics has recalibrated its producer price index figures for bituminous and lignite, as well as reorganizing its pricing categories. The new index is based on a compilation of average prices for December 1981, and that month appears as 100. The former index used June 1976 prices as its base.



Latest U.S. Production Figures
Estimated Bituminous Coal and Lignite Production

Source: U.S. Department of Energy

BITUMINOUS COAL and lignite production for the week ending March 26 dropped 783,000 short tons — 5.3 percent — from the previous week, DOE's Energy Information Administration reports. The 14.045 million tons produced was also well below the 18.452 million tons produced for the corresponding week of 1982. Year-to-date production reached 175.673 million short tons, 14.6 percent below the same period in 1982.

Exports & Imports

	Quantity in short tons 2/83	1/83	2/82	Dollar Value 2/83	1/83	2/82	Avg. Value per short ton 2/83	1/83	2/82
Bituminous coal, low volatile blends to make coke No. 5213110									
Belgium	102,086	167,431	411,761	6,372,387	8,190,265	22,197,611	62.42	48.91	53.90
Brazil	260,658	168,265	324,664	10,641,939	7,623,384	15,734,185	40.82	45.30	48.46
Canada	118	250	839	5,874	7,370	31,969	49.77	29.48	38.10
France	143,400	366,926	516,876	5,392,126	17,867,580	24,398,457	37.60	48.69	47.20
Germany, F.R. (West)	84,860	84,011	231,964	4,065,366	3,973,062	14,395,766	47.90	47.29	62.06
Italy	676,515	473,658	1,225,797	28,779,335	22,548,829	57,489,463	42.54	47.60	46.89
Japan	1,026,776	1,407,339	3,205,786	59,598,260	87,098,766	181,985,663	58.04	61.88	56.76
Netherlands	182,030	289,929	293,543	9,584,337	16,032,457	14,035,454	52.65	55.29	47.81
Spain	183,130	219,002	341,694	7,872,189	10,743,839	16,586,989	42.98	49.05	48.54
Sweden	78,036	68,811	80,243	3,704,349	4,129,561	4,751,960	47.46	60.01	59.21
United Kingdom	—	—	253,436	—	—	14,332,537	—	—	56.55
Yugoslavia	107,563	—	236,318	5,308,416	—	13,563,179	49.35	—	57.39
Total, above	2,845,172	3,245,672	7,122,921	141,324,578	178,215,113	379,503,233	49.67	54.90	53.27
Total, other nations	702,612	258,271	893,965	40,666,377	14,486,799	49,564,463	57.87	56.09	55.44
Total, all nations	**3,547,784**	**3,503,943**	**8,016,886**	**181,990,955**	**192,701,912**	**429,067,696**	**51.29**	**54.99**	**53.52**

	Quantity in short tons 2/83	1/83	2/82	Dollar Value 2/83	1/83	2/82	Avg. Value per short ton 2/83	1/83	2/82
Bituminous coal, others No. 5213120									
Belgium	—	—	176,570	—	—	8,794,066	—	—	49.80
Canada	1,372	1,397	3,150	60,556	67,123	131,028	44.13	48.04	41.59
China, Taiwan	188,091	—	118,382	7,866,839	—	4,568,550	41.82	—	38.59
Denmark	80,879	166,527	143,808	4,330,653	7,489,837	7,723,244	53.54	44.97	53.70
Finland	—	68,849	—	—	2,855,258	—	—	41.47	—
France	213,529	55,974	243,523	9,321,491	2,099,051	11,553,213	43.65	37.50	47.44
Germany, F.R. (West)	984	59,792	120,376	192,984	3,480,749	6,724,937	196.12	58.21	55.86
Italy	199,674	68,863	308,100	8,326,455	3,794,918	13,525,851	41.70	55.10	43.90
Japan	238,043	142,802	319,284	11,708,971	6,793,968	16,736,490	49.18	47.57	52.41
Netherlands	30,903	122,759	60,093	1,648,755	5,589,853	2,950,991	53.35	45.53	49.10
Spain	163,589	245,836	218,288	6,408,330	10,092,568	10,828,441	39.17	41.05	49.60
Total, above	1,117,064	932,799	1,711,574	49,865,034	42,263,325	83,536,811	44.63	45.30	48.80
Total, other nations	137,774	301,418	116,844	5,047,051	14,515,436	6,359,951	36.63	48.15	54.43
Total, all nations	**1,254,838**	**1,234,217**	**1,828,418**	**54,912,085**	**56,778,761**	**89,896,762**	**43.76**	**46.00**	**49.16**
Lignite No. 5213130									
Total, all nations	**3,350**	**1,293**	**2,325**	**286,457**	**97,027**	**248,349**	**85.50**	**75.04**	**106.81**
Coal coke for use as fuel No. 5213148									
Total, all nations	**43,353**	**55,667**	**101,474**	**3,085,027**	**4,305,112**	**6,525,777**	**71.16**	**77.33**	**64.30**
Petroleum coke, except calcined No. 5213150									
Canada	12,000	33,032	10,932	542,032	1,070,080	547,117	45.16	32.39	50.04
Japan	391,435	379,969	150,382	15,247,119	15,746,012	7,810,568	38.95	41.44	51.93
Netherlands	65,500	174,308	43,442	1,526,000	7,109,585	2,300,423	23.29	40.78	52.95
Total, above	468,935	587,309	204,756	17,315,151	23,925,677	10,658,108	36.92	40.73	52.05
Total, other nations	303,674	614,716	65,094	7,547,868	17,161,618	3,536,314	24.85	27.91	54.32
Total, all nations	**772,609**	**1,202,025**	**269,025**	**24,863,019**	**41,087,295**	**14,194,422**	**32.18**	**34.18**	**52.60**
Compositions for fuel No. 5213160									
Total, all nations	**4,174**	**64**	**8,582**	**252,408**	**12,845**	**514,116**	**60.47**	**197.57**	**59.90**
Anthracite No. 5213170									
Korea Rep. (South)	—	—	36,355	—	—	2,259,463	—	—	62.14
Total, all nations	**1,962**	**4,702**	**44,274**	**133,618**	**687,940**	**2,905,552**	**68.10**	**146.30**	**65.62**

5/23/83

C 2350-1

COAL INDUSTRY NEWS

Coal's National Newspaper

BULK RATE
U.S. POSTAGE
PAID
Permit No. 332
Des Plaines, IL 60018

APRIL 25, 1983 1301 Pennsylvania Ave., N.W., Washington, D.C. 20004 Volume 7, Number 8 $1 a Copy; $24 a Year

NEWS ROUNDUP

The Interior Department's coal leasing program, already beset by controversy over whether the government is achieving fair market value for its resource, **is getting ready to disband its fair market value evaluation teams** late this spring or early this summer, sources say. They consider the action a mistake since it would come at a time of intensifying congressional scrutiny. The General Accounting Office is preparing a report on whether the government received fair market value at last year's Powder River Basin sale. It is not being given to the Interior Department for review although Secretary James Watt has asked for a briefing on its findings, a source said.

* * *

A new Conoco Inc. tar sands process known as FAST — for fracture-assisted steamflood technology — **has implications for coal as well.** Robert A. Loosely, Conoco's manager of enhanced recovery and acquisitions, said that a unit adopting the principle of fluidized bed combustion has already been successfully tested for enhanced oil recovery in South Texas. If larger-scale units prove to be as efficient, said Loosely, the technology could be adapted to make steam for industrial plants, electric power plants and heating systems within municipal complexes — all of which "would increase utilization of the nation's vast coal resources."

* * *

General Electric Co. and Australia's Broken Hill Propriety Co. Ltd. **signed a final agreement on G.E.'s sale of Utah International and Utah-Marcona Corp.** for approximately $2.4 billion in cash.

(Continued on page 2)

INSIDE

WORLD CONSUMPTION through the year 2000 will grow "nearly 3.5 percent per year and account for 26 percent of incremental energy supplies," Conoco Inc. says in a newly-released study. **Story on page 2.**

A TRANSCONTINENTAL RAILROAD is seen by close observers as one possible result of Norfolk Southern's bid to buy Santa Fe Industries shares. Robert E. Bedingfield evaluates this and other transportation developments in this issue's **Focus on page 4.**

CLEAN AIR ACT REFORM looks more and more unlikely this session as the 98th Congress' schedule fills up with other issues — to the point that some congressional staff members wonder if it's worth the effort at this time, reports Steve Marcy in his latest **Washington, FYI on back page.**

Chances of Congressional Rail Rate Relief are Dim

WASHINGTON — Coal shippers should not expect congressional relief any time soon from Interstate Commerce Commission rulings that expanded rail industry power for increasing rates on domestic and export-bound movements.

Capitol Hill sources say that Rep. James Florio, D-N.J., chairman of Energy and Commerce Committee subcommittee with jurisdiction over railroads, is promising only hearings to probe the issue.

"Any further action depends on the reaction of the (subcommittee) members, based on those oversight hearings," a committee source told *Coal Industry News.*

The railroad industry is not sure it will get even that far. "They've been saying they would hold hearings since November, and nothing's scheduled yet," said one industry source.

The Capitol Hill source achnowledges that no hearings have yet been scheduled and says only that Florio will hold them "when he can get to it."

But Rep. Nick Rahall, D-W.Va., who with eight co-sponsors organized the support of the entire utility industry and the coal miners behind proposed amendments to break the inertia, said he does not believe Florio would hold the oversight hearings without acting on the measure at some point.

Rahall said at a press conference with the United Mine Workers president and the leaders of the major coal trade associations at his side that his amendments instruct the ICC to act as Congress originally intended.

They would protect captive shippers by forbidding the ICC to consider product and geography when determining whether a railroad dominates the transportation of a coal shipper.

Rahall wants to clarify that the ICC is to follow the definition of market dominance originally laid out in the preceding the Staggers Act. He would do that by providing a three-part test for market dominance: the ratio of revenues to the cost of moving coal along a particular, specified route; the degree to which coal shippers have invested in railroad or rail-related equipment; and whether a railroad handled 70 percent or more of a coal shipper's total output.

That statute, says Rahall, defines market dominace as "an absence of of effective competition from other carriers or modes of transportaion for the traffic movement to which a rate applies."

Competition Cited

The ICC, in deciding to deregulate completely rail rates for coal moving to export, said the international market was so competitive that the railroads could not price themselves or U.S. producers out of the market.

The ICC also decided, in its liberalization of domestic rate-setting policy, that a primary function of the Staggers Act was to ensure rail industry income adequate enough

(Continued on back page)

Coal Gas Project Backers Forecast Increased Losses

By Marcy Gordon

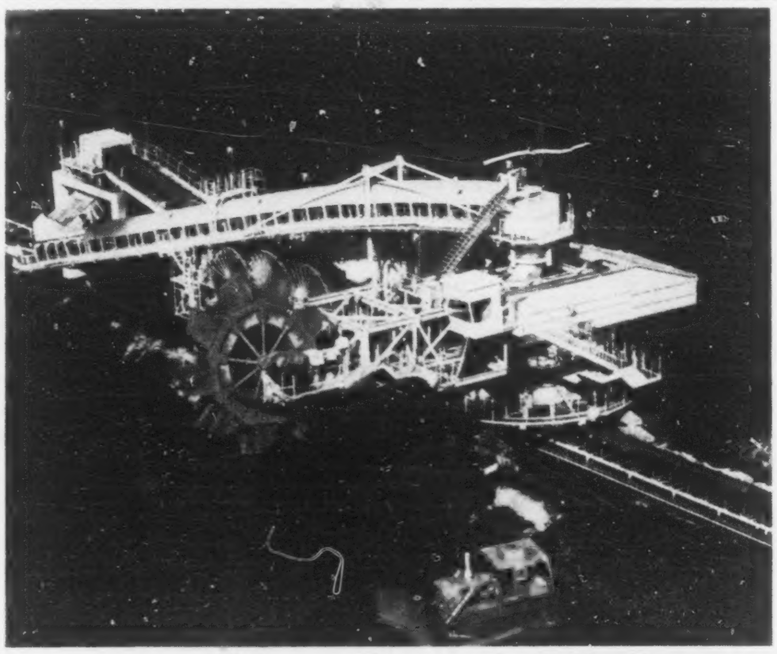
NEW YORK — The latest news from the synthetic fuels front is not encouraging: The sponsors of the premier U.S. synfuels project, the $2.1 billion Great Plains coal gasification venture, told the Department of Energy that it could lose more than $770 million in its first 10 years of operation.

The five sponsors (American Natural Resources Co, Tenneco Inc., Transco Energy Co., Midcon Corp. and Pacific Lighting Corp.) indicated in a report to DOE that they may well have difficulty paying back their loans guranteed by the Federal Financing Bank before the year 2000. Some $633 million in short- and long-term loans have been made to the consortium to date.

Discouraging news, certainly, but not really surprising. The synfuels industry has taken its share of hard knocks in recent months — and interest on Wall Street has been markedly shrinking.

"I think there's a lesson that, hopefully, we're learning," Joseph Schell, the director of Kidder, Peabody and Co.'s synthetic fuels group, told *Coal Industry News.* That lesson is fairly simple: The future prices of synthetic products turned out by these expensive projects are tied to the prices of other commodities (i.e. oil) that can move down, while the synfuels producers' costs move up.

(Continued on page 7)



International Marine Terminals Adds Capacity

A $63 MILLION EXPANSION of International Marine Terminals' facility 40 miles south of New Orleans on the Mississippi River has boosted capacity from 3.5 million to 15 million tons a year. A new sampling and weighing system has been added, along with a traveling shiploader and two bucket-wheel stacker/reclaimers. In addition, the coal storage area at Plaquemines Parish Terminal, the official name, has been increased to a million tons. Subsidiaries of Florida Power Co., Houston Natural Gas Co. and Occidental Petroleum Corp. are partners in the venture.

3 Studies Point to Economics of Slurry Transport

By Gene Smith

NEW YORK — If studies were the final determinant, coal slurry lines would soon be crisscrossing the nation.

The most recent, "Atlantic Coal Transportation System" prepared by BE&C Engineers Inc., a subsidiary of Boeing, for the Maritime Administration, backs a coal slurry line that would link mines in Southwestern Pennsylvania to European markets via a five-ship fleet and an offshore loading point near Cape Henlopen, Del.

Total cost estimates for the system range from $1.3 billion down to $654.5 million, according to the study. The difference was traced to the cost of building new ships in this country or converting existing vessels in foreign shipyards.

Rights-of-way along state highways would be used for the slurry lines and approval would have to come from only two states, Pennsylvania and Delaware. It noted further that by using an offshore terminal it would be possible to load vessels with up to 248,000 deadweight-ton capacity, thus avoiding the necessity for dredging existing ports.

Compared to Rail Costs

According to the study, the cost of shipping coal via the slurry line would be no more than $10 a ton against an estimated charge of more than $20 a ton for rail plus port terminal charges. This would result in a domestic mine-to-European terminal cost of $17.50 a ton for coal in the proposed slurry system against $31 a ton for conventional rail-to-port shipments.

A year ago, Ebasco Services Inc., concluded that "coal/water slurry pipelines are more economical than coal transportation by railroad, rail/barge and transmitting electrical energy by power lines."

The Ebasco study recommended barge/rail transportation systems if navigable waters are available for coal shipments and if the tonnage, total distances and split between rail and barge hauling distances are in proportions which will result in a competitive cost, given the variability of the tariff structure.

The study found coal/water slurry pipelines and transmission lines to be more inflation-proof than rail or rail/barge modes

(Continued on page 7)

FOCUS: TRANSPORTATION

Norfolk Southern Purchase of Santa Fe Stock Seen as Transcontinental Rail Move

By Robert E. Bedingfield

Close observers of the railroad scene are terming cash-rich Norfolk Southern's bid to purchase shares in Santa Fe Industries as an attempt to form a truly transcontinental railroad.

Santa Fe Industries is the parent of the Atchison, Topeka and Santa Fe Railway. Norfolk Southern last month bought 4.2 million shares — 5.01 percent — of Santa Fe Industries.

Norfolk Southern, in making the announcement, said the purchase was "for investment."

"It's a well orchestrated plan," said John Anderson, director of transportation costing of A.T. Kearney, Inc., a leading management consultant firm.

A combination of Norfolk Southern and the Santa Fe could create "one — not the one — dominant rail system in the United States," Anderson said. He pointed out the combination would give Norfolk Southern access to the West Coast and Gulf Coast areas served by Santa Fe west of the Mississippi and linkups in Chicago and Kansas City.

"Such a combination," he said, "would have a devastating effect on the Southern Pacific, and its survival would be in question."

The Southern Pacific management had no immediate comment on the Norfolk Southern's new "investment," but this hasn't stopped Wall Street railroad analysts from suggesting that if Norfolk Southern and Santa Fe merge, the Southern Pacific would have to combine with another railroad to offset the pressure.

Southern Pacific and Santa Fe did conduct merger studies for several months during 1980 but called them off mutually without explanation.

The view of railroad analysts is that if Norfolk Southern's interest in Santa Fe leads to merger discussions that Norfolk Southern's chief competitor, CSX and its railroads, — the Chessie and Seaboard systems — might find a merger partner in Southern Pacific. Back in 1978, Southern Pacific sought to merge with Seaboard before that system decided to join forces with Chessie.

Although it could alter relationships between producer and shippper, such a merger would seem to be of less consequence right now to coal traffic than to shippers of merchandise. The new practice, sanctioned by the Staggers Act, of closing historic interchanges with one another, might shift some coal shipments in areas farther west, as it has already done with Appalachian coal.

Nationally, railroads have found that coal shipments held up extremely well in recession-blighted 1982. Revenue ton miles, the Association of American Railroads has reported, were off by 12.8 percent from 1981. Coal loadings were down only 1.3 percent. Total car loadings fell 14.2 percent.

Total coal production in 1982, according to the National Coal Association, was 820 million tons. The 5,659,783 carloads of coal that moved by rail from mines to user, totaled some 515 million tons.

Some of 1982's coal demand from utilities went into rebuilding stockpiles depleted by 1981's 72-day strike of the United Mine Workers of America. More of it stemmed from conversions of oil to coal, and from new coal-fired capacity coming on line.

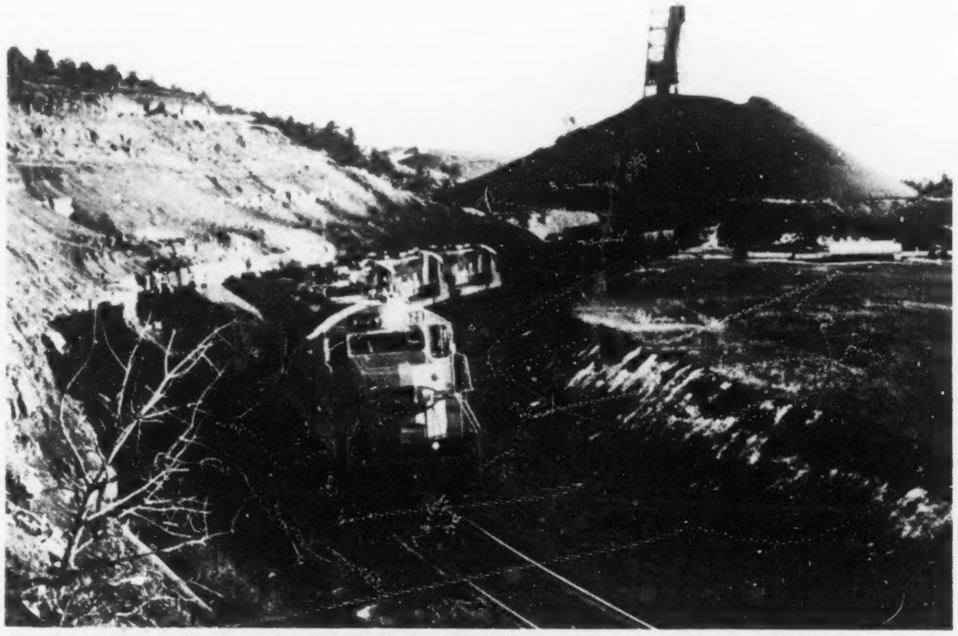
Even the utilities most favorably situated with respect to rival sources of energy appear to be giving up on them. Houston Light and Power's new Smithers Lake generating station, surrounded by oil wells, is being served by Burlington Northern with coal from the Powder River Basin.

Middle South Utilities, the holding company whose lines actually serve some users in the Hugoton and Anadarko, Okla., natural gas fields, has contracted for 150 million to 210 million tons of Wyoming coal over the next 26 to 42 years. It will fuel a new station at Independence, Ark. The utility's White Bluff Station in Arkansas gets its coal under a 20-year, 100 million-ton contract. The deliveries of coal to both stations will be made by Burlington Northern.

New England Electric Power has converted its Brayton Point Station at Somerset, Mass., outside Fall River from oil to coal. With conversion of its Salem Harbor plant north of Boston in the next year, the utility will have reduced its dependence upon residual fuel oil to 20 percent from 78 percent.

While the export market for steam coal has not soared into the extravagant tonnages that were being talked of a year or so ago, it remains a great deal larger than it was until the late 1970s.

Jerry E. Gobrecht, vice president of coal traffic for CSX's Chessie System, told *Coal Industry News* that as recently as 1979, Chessie's steam coal exports amounted to no more than 400,000 tons. The system's steam coal export traffic in 1980 jumped to 10 million tons and remained near that level in 1981 and 1982. Gobrecht expressed the fear that this might slip by 5 million tons in 1983 and said "and 1984 looks a lot like 1983."



SANTA FE RAILWAY'S unit coal train loads at York Canyon Mine in northeastern New Mexico. Is the Norfolk Southern's bid for Santa Fe stock the first step in a transcontinental railroad that will ultimately bring Western coal to East Coast export points?

Robert Claytor, chairman and chief executive officer of Norfolk Southern, CSX's fiercest competitor for Eastern and Southeastern coal traffic, had a slightly more dismal story for financial analysts in New York at the end of January. Quarter by quarter comparisions for Norfolk Southern, in the last quarters of 1981 and 1982, showed sharp declines in tonnages and earnings.

This, as Claytor pointed out, was largely because 1981's last quarter was so good, resulting from exports of 35.2 million tons from all U.S. ports by all railroads of the country and stockpiling by utilities estimated at 20 million tons. Figures for the like quarter of 1982 showed exports of 7.8 million tons. Most utilities, faced with sluggish industrial demand, were drawing down stockpiles accumulated earlier in the year.

Neither Chessie nor Norfolk Southern officials have given up on the export market, however.

Gobrecht added up the facilities built and building in the Hampton Roads to Chesapeake Bay area and found a total of 88 million tons a year in export capacity. He calculates 113 million tons for the entire Atlantic Coast.

The added capacity installed in the last five years, Gobrecht stresses, has advantages other than size for smaller shippers or transshippers who act only as agents to buy and resell coal rather than owning mines. Ground storage allows blending of coal to the buyer's specifications.

Much encouragement for potential coal exports is viewed by rail observers as coming from purchases of mines or coal lands by foreign interests. Australian investors bought Utah International, an important producer. And there have been investments by Japanese, South Korean, Dutch, French, British, German and Italian coal buyers.

While the export market for steam coal has not soared into the extravagant tonnages that were being talked of a year or so ago, it remains a great deal larger than it was until the late 1970s.

Rail industry coal executives consider these investments as steps to assure the buyers access to coal, even if United States coal costs more than coal from other sources. That cost differential is built into the political situations of other suppliers. Poland must keep its miners occupied to reduce unrest; British Prime Minister Margaret Thatcher has failed in one attempt to close down uneconomic mines.

At the moment, coal producers' attention is focused more on railroad freight rates than on demand factors. On Feb. 24, the Interstate Commerce Commission announced that it favored rate increases of as much as 15 percent a year to help bring coal revenues up to what the commission felt was coal's fair share of railroads' costs.

Coal shipments are a larger percentage of ton-miles than of railroad revenue, last year accounting for 35 percent of all rail-originated tonnage and more than a fifth of all railroad revenue.

Coal producers insist that these proportions are enough. Their position is that coal is the most undemanding of commodities — it lacks time urgency. Each producer usually has a single carrier, so there are no solicitation costs. Car supply can be calculated months ahead.

Rail spokesmen try to be reassuring. Norfolk Southern's Claytor, and his vice president for coal and ore traffic, William H. Bales, assured security analysts at the railroad holding company's financial analysts meeting that Norfolk Southern was eager to talk lower rates where it would help the railroad get business.

William Dempsey, president of the Association of American Railroads, says that freight rates have lagged behind coal price increases initiated by producers.

A week after the invitation a series of 15 percent domestic rate increases was issued, the Interstate Commerce Commission followed with a proposal to deregulate export rates on coal entirely. Railroad people repeated their assurances that they would keep the rates at levels allowing their coal shippers to compete. Coal producers openly doubted that new mines could be financed in the face of uncertainty as to how the proceeds from them would be divided between production and transportation.

A silver lining for Eastern Producers, pointed out by Norfolk Southern and CSX spokesmen, was that since ocean freight rates are based on weight and bulk, Appalachian coals and Illinois Basin coals deliver more Btu's per freight dollar — not a very comforting observation for Western producers, much of whose coal is subbituminous.

RAILROAD COAL LOADINGS

(In Millions of Tons)

Burlington Northern	124
Chessie System	224
Chicago & North Western	16.4
Conrail	67
Denver & Rio Grande	19.5
Illinois Central	27.4
Norfolk Southern*	126.6
Santa Fe	23.5
Seabord System	102.3
Union Pacific	64.1

*Includes Norfolk & Western and Southern.

Source: 1982 railroad annual reports.

Railroads, Most Other Coal and Coal- Related Issues Gain Strength

NEW YORK — Like the stock market overall, stocks in the *Coal Industry News'* list of 79 issues were strong on the upside in the most recent week. Only 14 issues closed down, with one — Gulf — unchanged in the week ended April 15.

All seven of the railroads posted gains, with CSX rising a whopping 4-5/8, followed by Burlington Northern with a 2-5/8 gain. The CSX gain was realized despite the first quarter earnings report which showed a drop of 26.1 percent from the year-ago level. On the other hand, Burlington Northern reported its first quarter net had jumped from $38.3 million to $76.5 million in the latest period, with the gain attributed largely to its rail operations. None of the other railroads on the list had issued their quarterly statements as yet.

The weakest segment of the *Coal Industry News'* list was that of users of coal. Three of the stocks — Alcoa, Kaiser Cement and Kaiser Steel — wound up with declines. Kaiser Cement's first quarter net, including a tax credit of $657,000 amounted only $152,000 against $6.1 million a year ago.

In the case of Kaiser Steel, the issue had been active in recent trading as investors awaited a possible takeover offer by the Jacobs group. Since none has materialized, there was profit-taking from the run-up.

Alcoa, which had not issued its report prior to April 15, suffered from comparisons with the early negative reports from other aluminum producers, notably Reynolds Metals, which cited "weak margins resulting from continuing cost pressures" for its poor showing.

The only coal company on the 79-issues list that has issued its quarterly report to date is North American Coal. It showed net of $5.4 million against $7 million a year ago, Sales fell from $130 million to $102 million in the first three months. Yet the stock showed a gain of 2-1/4 in trading in the most recent reported week.

Westmoreland was also strong with a gain of 1-7/8, but Pittston slipped 1/4.

There were 5 issues among the coal company component (out of 35) that declined. Amax was off 1/8; Kerr McGee off 3/4; Standard Oil of Ohio off 5/8 and Jim Walter off 3/8 (in addition to Pittston).

The others went along with the almost daily record highs in the Dow Jones Industrial Index. General Electric rose 3-1/4 after posting a first-quarter gain orf 12.7 percent in net income.

However, six of the 30 supplier companies on the *Coal Industry News'* listing fell in this week's trading. Again, there seemed to be no set pattern. Bucyrus-Erie's net toppled to $2.8 million from $7.6 million a year earlier, yet the stock was up 1/4. Joy Manufacturing's net dropped unbelievably to $4.2 million down from $24.7 million in the first quarter of 192, yet it gained 1-3/8.

Stocks that are components of the Dow Jones Industrial Index have tended to soar over the past year. Exxon, for example, was up 1-1/2 in this most recent accounting. The stock has appreciated 33.5 percent from April 12, 1982 to April 18 in this year. The 30 stocks in the index have risen 52.3 percent in the same period.

April 15, 1983

company	sales 100s	wks high	wks. low	last	net chg
Coal Companies					
Amax	5113	24⅜	23⅞	24	-⅛
AEIPw/a	16647	19⅝	19	19½	+⅜
AshlOil/b	3530	31¼	30½	30⅞	+½
BethStl/c	6856	22⅛	21	21⅞	+⅜
Boeing/d	17929	w42¼	41	41¼	+½
DuPont/e	14543	44	42¼	43⅞	+2⅛
EastGF	3647	18¼	17⅝	17⅞	+⅛
ElPaso	5852	17¼	16⅝	17	+¼
Exxon/g	58091	w33⅛	30¾	33	1½
GenEl/h	12137	109	105¾	108¾	+3¼
Grace/i	7609	43⅝	41½	42⅜	+⅜
GulfOi/u	15524	34⅜	33⅛	33¼	...
Hanna/j	328	24⅛	23⅜	24	+⅜
KerrMc	13335	31⅜	29⅞	30½	-¾
Mapco	2271	23⅛	22⅛	23	+⅝
Mobil	24057	30	28¾	29⅜	+½
MonPw/k	1580	27¼	26½	27⅛	+⅝
Newmt/l	3372	55⅞	53⅞	54½	+¾
NACoal	308	35¼	32	35¼	+2¼
OcciPet/m	10878	20⅞	19⅞	20⅛	+⅜
PacPw/n	1406	21⅜	20⅝	21⅜	+⅝
PaPL/f	2797	22⅞	22¼	22¾	+⅜
PhilPet	14628	35⅝	34⅜	34¾	+⅜
Pittstn	2243	13	12½	12⅝	-¼
ShellO	7427	41⅜	39¾	39¾	+¼
StOilCl/o	12761	39⅛	37⅜	37⅝	-⅝
StdOOh/p	15664	w46⅝	44½	44⅞	+¼
SunCo	2603	35⅛	34	34⅞	+⅜
Texaco	26942	34¼	32⅞	34	+⅞
TexUtil	14999	24¼	22¾	24¼	+⅜
USSteel	8556	23¼	22½	22⅞	+⅛
UtaPL	1740	22¾	21¾	22½	+¾
WaltJm	5411	43½	41⅝	42	-⅜
West	657	23⅝	21⅝	23⅝	+1⅞
William/q	5844	23	21⅞	22½	+½
Suppliers					
ACF	1149	33¼	32⅛	33	+⅞
AllisCh	2369	14⅜	13⅜	13⅜	-⅝
BucyEr	2067	14½	14	14¼	+¼
CatrpT	13604	44½	39½	43⅝	+3⅞
Chryslr	88307	w21½	17	21	+4
CmbEn	x6455	36	34⅛	34⅝	-⅞
DowCh	21913	30¼	29	30	+⅞
Dravo	723	12⅜	11¾	11⅞	-⅜
Dresr/r	9580	17⅝	16⅜	16⅝	-⅛
FMC	2446	36⅝	35	36⅝	+⅝
Firest	14894	20⅛	18⅞	20	+1⅝
Fluor/s	4636	21⅛	19⅝	20¼	-⅜
FordM	43338	w44⅞	39	43⅞	+4⅞
GTE/t	14303	44	41¾	43¼	+1¼
GMot	35838	64⅜	57½	64	+6⅝
GTire	2128	34½	33¼	34¼	+⅞
Gdnch	1959	w38⅜	36½	38¼	+1⅜
Goodyr	21184	31¼	28⅞	30⅞	+2⅛
IngerR	982	44¼	42¼	43½	+1⅜
IntHarv	15522	w8⅜	6¼	8¼	+2⅛
JoyMfg	2105	24⅜	22⅝	24⅜	+1⅜
Kenmt	306	25⅞	24⅜	25⅝	+⅝
McDnD	2467	23⅛	22½	22½	-⅛
NMineS	225	8	7⅛	8	+¾
Penwlt	1843	39¾	39	39¼	+¼
RshCot	468	17	15½	17	+1¼
Signal/y	10065	32	30	31½	+1⅝
Tenneco	15559	w38¾	37¼	37¾	+¼
UnCarb	7955	62¼	59¼	62⅛	+2¾
WestgE	15283	45½	43¾	44¾	+¾
Transportation					
BrlNth	4601	w82⅝	79¼	82⅜	+2⅝
CSX	5239	w63⅞	58¼	62⅞	+⅝
CNWst	2047	w37	35½	36⅜	+⅛
ICInd	1270	w41⅞	40	41⅞	+1⅜
NorSo	4418	60	57⅝	59¼	+1½
SFeInd	8555	26⅜	24¼	26	+1⅞
UnPac	9034	52⅞	51¼	51¾	+½
Users					
Alcoa	13994	32⅞	31	31⅜	-¾
InldStl	2820	30¾	27⅝	30½	+2⅞
KaisCe	924	30½	27½	28¼	-2⅛
KaisrSt	1484	39⅞	37	38⅛	-1½
NatlStl	2592	24⅛	22¾	24	+⅞
RepStl	1554	20¾	20¼	20⅝	+⅛
WhelPit	2278	19¾	18½	19½	+1

a/owns Central Ohio Coal, b/owns 50 percent of Arch Mineral, c/owns Bethlehem Mines, d/owns 15 percent of Peabody Holding Co., e/owns Conoco and Consolidation Coal, f/owns Greenwich Collieries, Rushton Mining and Tunnelton Mining, g/owns Exxon Coal, h/owns Utah International, i/owns 50 percent of Colowyo Coal, j/owns 50 percent of Colowyo Coal, k/owns Western Energy, l/owns 27.5 percent of Peabody Holding, m/owns Island Creek Coal Co., n/owns Nerco, o/owns 20 percent of Amax, p/owns Old Ben Coal Co., q/owns 27.5 percent of Peabody Holding Co., r/owns Jeffrey Mining, s/owns 10 percent of Peabody Holding Co., t/owns American Mine Tool, u/owns Pittsburg and Midway Coal Mining Co., w/new 52-week high, x/ex-dividend and sales in full, y/controls Wheelabrator-Frye.

Norfolk Southern Sets New Rail Link

HURT, Va. — The Norfolk Southern Corp., formed last year when the Norfolk and Western Railway Co. and the Southern Railway System merged, is building a $5.6 million rail short cut to the coal fields of Virginia.

When the short cut — 4,272 feet of track called the Altavista Gateway link, — is completed this summer, it will take 24 hours off of some trips from the mines to market. The new tracks will allow coal trains on the N&W's Deepwater, W.Va., to Norfolk main line to swing onto Southern's main line into North Carolina and points south.

Currently, some N&W coal heads south, but only after tedious transfers to Southern trains at the Altavista yard. Because it was carrying the coal for only a relatively short, and unprofitable, distance before being transferred to another railroad, N&W did not promote the arrangement.

But when the gateway link opens, long coal trains of up to 150 cars will be able to roll non-stop from the N&W track onto the Southern rails at 35 miles per hour, cutting up to 24 hours of their trips, according to Samuel D. Guy, Norfolk Southern vice president for sales. "It will get it there faster over a shorter distance," he said.

The N&W and Southern each serve about 200 coal mines.

Professional Services Directory

APPALACHIAN COAL SURVEYS
GEOPHYSICAL SERVICES - Slim Hole Logging Specialists
- COMPLETE LOGGING SUITES - density, gamma, neutron, sonic, electric, temperature, verticality
- COAL DENSITY LOGS - 1/2 inch primary spacing
- DEGREED OPERATORS - trained in interpretation, skilled in troubleshooting

GEOLOGICAL CONSULTING - Experts in Modern Exploration Techniques
- FIELD MANAGEMENT & DRILL SUPERVISION
- COAL RESERVE STUDIES & DELTAIC MODELING
- PHOTOGEOLOGICAL INVESTIGATIONS
- PREDICTIVE GEOLOGY For MINING CONDITIONS
- GROUNDWATER MONITORING SYSTEMS

Contact:
Craig B. Clemmens C.P.G.S.
P.O. Box 17203
Pittsburgh, PA 15235
Telephone (412) 243-3039

BRITISH MINING CONSULTANTS (USA) LTD.
Consulting engineers in mining, materials processing, general engineering and management services.
P.O. Box 2339, Fairfax, Va. 22031
703-691-9223

MDS MINING DATA SYSTEMS
A div. of Petroleum Data Systems, Inc.
Provides unique and efficient systems to help you manage your mineral properties and claims. Computer-based up-to-date economical practical systems designed and developed by landmen for operations of all sizes.
toll free 800-525-1631 or 303-839-5487 (In CO)
835 E. 18th St., Denver, CO 80218

The Norwest Group
NorWest
Consultants to the coal industry:
Surface & Underground Mining
Geology, Utilization
Coal Preparation & Handling
Marketing, Economics

Norwest
Resource
Consultants
Calgary, Alberta
403-237-7763
Denver, Colorado
303-773-6605
Salt Lake City, Utah
801-364-5343

MINING AND GEOLOGICAL ENGINEERS
400 Oliver Building
Mellon Square
Pittsburgh, PA 15222
(412) 562-1770
Telex No. 866361
JTB JOHN T. BOYD COMPANY
Denver, Colorado (303) 861-4339
Huntington, West Virginia (304) 697-5504
Houston, Texas (713) 658-8961
New York, New York (212) 370-1819

Gates&Fox Company, Inc.
UNDERGROUND CONTRACTORS SINCE 1950
Construction & Mining
Services - Engineering - Management
6030 KING RD., P.O. BOX 105
LOOMIS, CA 95650 (916) 652-7292

Gilbert/Commonwealth
Environmental Impact Assessment
Coal Analysis • Reclamation
Site & Facility Engineering
Engineers and Consultants
Jackson, MI (517) 788-3500
Denver, CO (303) 741-2600

North American Consultants, Inc.
NACI
Engineering
Feasibility Studies
Surface Mining
Underground Mining
Longwall Application
Coal Preparation
Mine Construction
Operations Management
Geotechnical Studies
Computer Application
Productivity & Safety Analysis
Geology
Exploration
Drilling Programs
Reserve Studies
Quality Analysis
Environmental
Mine Permitting
Hydrologic Studies
Reclamation
Soils/Land Use
Waste Disposal
Cultural Resources
Environmental Management
13140 COIT RD. DALLAS, TX. 214/644-5001

DAVIS
INSTRUMENT MANUFACTURING CO., Inc.
513 E. 36th Street, Baltimore, MD 21218
301-243-4301
America's first & finest precision vane Anemometers have been used in coal mines for over 60 years to insure meeting ventilation requirements.

MACKS-LIFE™ CERAMICS
MACK'S MOTOR CO., INC.
1583 NORTH MAIN STREET
WASHINGTON, PA. 15301
(412) 222-5740
•CENTRIFUGE REPAIRS
•CUSTOM FABRICATION AND CERAMIC LINING
• AUTHORIZED HUMBOLDT-WEDAG SERVICE CENTER
•QUALITY WORKMANSHIP •FREE PICK-UP AND DELIVERY

Paul & McDonald Associates, Inc.
AIR POLLUTION CONTROL TECHNOLOGY
- Feasibility Studies
- Coal Sourcing
- Impact of Coal and Ash Properties on Boiler Operation and Air Pollution Control

Two Riverside Office Plaza, Suite 106
Birmingham, Alabama 35244
205-988-8192

Pugliese & Associates, Inc.
Coal Preparation Specialists
Consulting • Feasibility Studies
Project Management
Plant Planning and Design
21 Windermere Drive
Valencia, PA 16059
412-898-1620

SEEGMILLER INTERNATIONAL
Mining · Geotechnical Consultants · Engineers
Underground and Highwall Stability
Longwall Design • Support Load Densities • Floor Bearing Pressure • Chain and Barrier Pillars • Room Size and Support • Subsidence Analysis • Roof, Coal and Floor Material Properties • Highwall Design • Instrumentation • Geotechnical Testing
143 South 400 East SALT LAKE CITY, UTAH 84111 USA
Tel. 801-363-0806 Cables: ROCKENGR

L. J. HUGHES & SONS, INC.
DIAMOND CORE DRILLING
PRESSURE GROUTING
FOUNDATION AND SOIL BORINGS
320 Turnpike Rd.
Summersville, West Virginia 26651
304-872-1111

David Staley and Co.
1601 DuBois Tower
Cincinnati, Ohio 45202
(513) 621-7793
FINANCIAL SYSTEMS CONSULTANTS TO COAL INDUSTRY
—COMPUTER SOFTWARE AND HARDWARE EVALUATION/SELECTION
—INSTALLATION AND USER TRAINING
—COAL INDUSTRY TURNKEY SYSTEMS AVAILABLE

★★★

For DIRECTORY information call:
Judy Grill 800-368-5802/202-638-6127

BEST AVAILABLE COPY

FACTS & FIGURES

	WEEKLY 4/9/83	4/2/83	4/10/82
Production			
Bituminous, recent week	14,702	12,854	16,802
Bituminous, year to date	203,229		239,419
Anthracite, recent week	84	66	80
Anthracite, year to date	1,123		1,430
Railroad carloadings			
Bituminous, recent week	95,904	85,800	113,293
Bituminous, year to date	1,357,025		1,812,578
Anthracite, recent week	206	160	277
Anthracite, year to date	1,380		2,650

Production data in thousands of short tons.
Source: U.S. Department of Energy, Energy Information Administration—Weekly Coal Report.

	WEEKLY 4/9/83	4/2/83	4/10/82
Production by states, bituminous and lignite			
Eastern			
Alabama	438	405	547
Georgia	—	—	—
Illinois	1,113	1,013	1,247
Indiana	543	470	614
Kentucky:			
Eastern	2,022	1,688	2,206
Western	654	596	844
Total, Ky.	2,676	2,284	3,050
Maryland	69	59	82
Ohio	616	591	787
Pennsylvania	1,274	1,152	1,688
Tennessee	131	119	192
Virginia	652	568	844
West Virginia	2,252	2,058	2,456
Total, Eastern	9,764	8,719	11,507
Western			
Alaska	15	12	15
Arizona	227	180	211
Arkansas	3	3	4
Colorado	322	287	384
Iowa	8	8	12
Kansas	14	13	15
Missouri	93	79	106
Montana	485	425	652
New Mexico	352	283	384
North Dakota	335	285	350
Oklahoma	84	82	107
Texas	639	531	633
Utah	305	263	288
Washington	72	64	100
Wyoming	1,984	1,620	2,034
Total Western	4,938	4,135	5,295
Total, United States	14,702	12,854	16,802

In short tons (000).
Source: U.S. Department of Energy, Energy Information administration—Weekly Coal Reports.

	MONTHLY 2/83	1/83	2/82
Coal Labor			
All employees			
Coal Mining	199.0	204.5	249.1
Bituminous & Lignite	196.3	201.5	245.6
Production employees			
Coal mining	158.6	163.5	206.1
Bituminous & Lignite	156.3	160.8	203.0
Hours, weekly average			
Coal mining	39.1	40.0	41.6
Bituminous & Lignite	39.1	40.0	41.5
Earnings, hourly average			
Coal mining	13.41	13.28	12.37
Bituminous & Lignite	13.45	13.33	12.41
Earnings, weekly average			
Coal mining	524.33	531.20	514.59
Bituminous & Lignite	525.90	533.20	515.02

Source: U.S. Department of Labor, Bureau of Labor Statistics—Employment and Earnings.

	MONTHLY 1/83	12/82	1/82
Bituminous and Lignite Consumption			
Electric power utilities	53,278	50,814	56,737
Coal user stocks of coal			
Electric power utilities	167,515	170,480	148,404
Anthracite Consumption			
Electric power utilities	73	99	89
Coal user stocks of coal			
Electric power utilities	6,107	6,080	5,437

Note: Data give in thousands of short tons.
Source: U.S. Department of Energy's Energy Information Administration—Weekly Coal Report.

	1/83	12/82	1/82
Coal User Production			
Major district users:			
Electric utilities (Mil Kwh.)			
Monthly	108,164	100,970	113,124

Price Indexes	MONTHLY 2/83	1/83	10/82
Bituminous Coal and Lignite	104.9	104.2	105.0
Primary Products	103.7	103.2	103.3
Prepared	104.4	103.5	104.4
Steam electric utilities	105.7	104.3	105.4
North Appalachia	104.4	99.5	102.9
Spot	N.A.	N.A.	N.A.
Contract	102.1	N.A.	102.6
South Appalachia	98.2	N.A.	N.A.
Contract	98.0	98.0	99.7
Midwest	109.4	109.3	109.2
Contract	110.7	110.6	110.5
West	109.5	109.1	109.0
Contract	109.5	109.1	109.0
Metallurgical/coke producer	101.3	101.2	101.5
High volatile	100.7	100.4	100.0
North Appalachia	97.2	97.2	97.2
Contract	N.A.	N.A.	N.A.
South Appalachia			
Contract	102.7	102.3	101.5
West	99.0	99.0	100.7
Low volatile	99.6	100.3	102.7
North Appalachia			
Contract	97.8	97.8	100.9
South Appalachia			
Contract	N.A.	102.4	104.2
All other industrial	98.5	101.1	99.7
North Appalachia	92.6	N.A.	N.A.
Contract	91.8	92.4	91.2
Midwest			
Contract	107.0	107.0	107.2
Unprepared (raw)	101.1	102.5	99.9
For preparation at other establishments	N.A.	N.A.	N.A.
For use without preparation	N.A.	N.A.	N.A.
Anthracite	152.7	153.2	154.0
Primary products	151.5	152.0	152.6
Prepared anthracite shipped	153.3	153.9	154.7
Stove	148.6	151.2	151.7
Chestnut	148.4	148.4	151.5
Pea	159.0	160.3	160.3
Buckwheat no. 1	149.0	149.0	149.0
Buckwheat no. 2	160.8	160.8	160.8
Buckwheat no. 4	143.9	143.9	143.9
Buckwheat no. 5	110.2	110.2	112.0

N.A.—Not Available

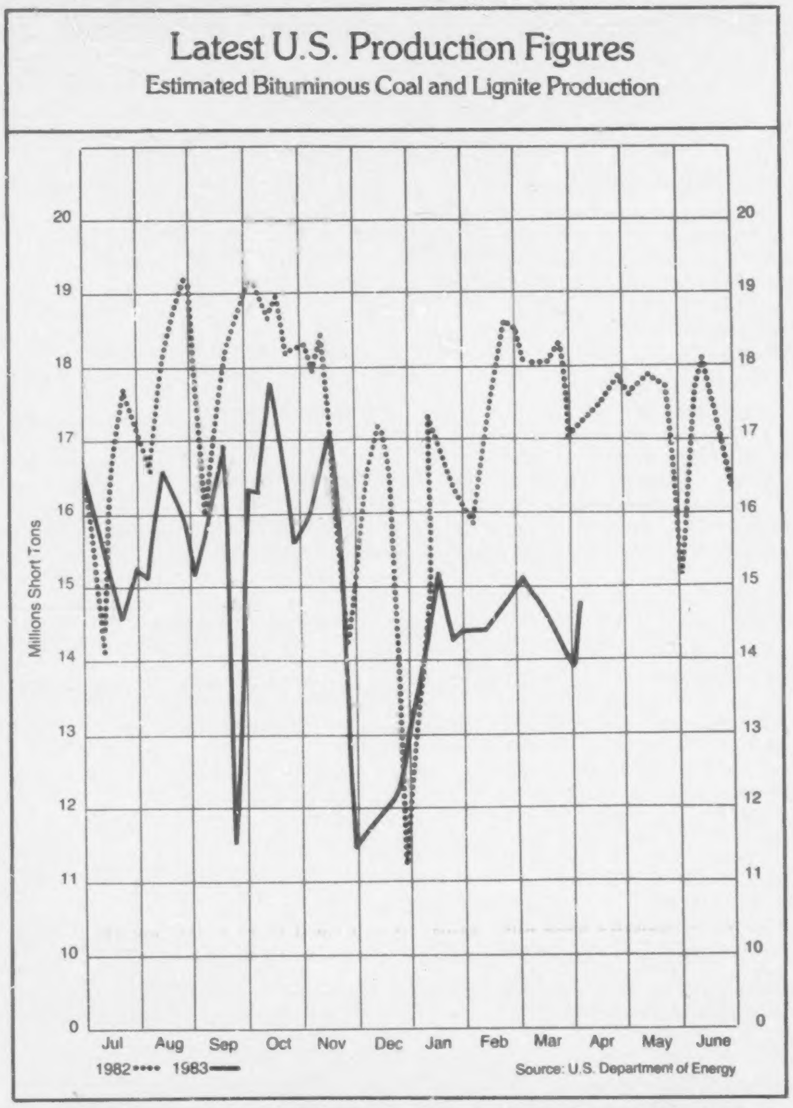
Source: Bureau of Labor Statistics, Department of Labor.

Note: The Bureau of Labor Statistics has recalibrated its producer price index figures for bituminous and lignite, as well as reorganizing its pricing categories. The new index is based on a compilation of average prices for December 1981, and that month appears as 100. The former index used June 1976 prices as its base.

Exports & Imports

Bituminous coal, low volatile blends to make coke No. 5213110	Quantity in short tons 2/83	1/83	2/82	Dollar Value 2/83	1/83	2/82	Avg. Value per short ton 2/83	1/83	2/82
Belgium	102,086	167,431	411,761	6,372,387	8,190,265	22,197,611	62.42	46.91	53.90
Brazil	260,658	168,265	324,664	10,641,939	7,623,384	15,734,185	40.82	45.30	48.46
Canada	118	250	839	5,874	7,370	31,969	49.77	29.48	38.10
France	143,400	366,926	516,876	5,392,126	17,867,580	24,398,457	37.60	48.69	47.20
Germany, F.R. (West)	84,860	84,011	231,984	4,065,366	3,973,062	14,395,766	47.90	47.29	62.06
Italy	676,515	473,658	1,225,797	28,779,335	22,548,829	57,489,463	42.54	47.60	46.89
Japan	1,026,776	1,407,389	3,205,786	59,598,280	87,098,786	181,985,663	58.04	61.88	56.78
Netherlands	182,030	289,929	293,543	9,584,337	16,032,457	14,035,454	52.65	55.29	47.81
Spain	183,130	219,002	341,694	7,872,189	10,743,839	16,585,989	42.98	49.05	48.54
Sweden	78,036	68,811	80,243	3,704,349	4,129,561	4,751,960	47.46	60.01	59.21
United Kingdom	—	—	253,436	—	—	14,332,537	—	—	56.55
Yugoslavia	107,563	—	236,318	5,308,416	—	13,563,179	49.35	—	57.39
Total, above	2,845,172	3,245,672	7,122,921	141,324,578	178,215,113	379,503,233	49.67	54.90	53.27
Total, other nations	702,612	258,271	893,965	40,666,377	14,486,799	49,564,463	57.87	56.09	55.44
Total, all nations	3,547,784	3,503,943	8,016,886	181,990,955	192,701,912	429,067,696	51.29	54.99	53.52

Domestic



Latest U.S. Production Figures

Estimated Bituminous Coal and Lignite Production

Source: U.S. Department of Energy

BITUMINOUS COAL AND LIGNITE production in the United States for the week ending April 9 rose an estimated 1.848 million short tons, or 14.4 percent, to 14.7 million short tons from the previous week's level. But the Department of Energy's Energy Information Administration production estimate for the week was 12.5 percent below the year-ago figure of 16.8 million short tons. Bituminous coal and lignite production from Jan. 1 through April 9 totaled 203.229 million short tons, 15.1 percent less than production in the same 1982 period, according to EIA.

	Quantity in short tons 2/83	1/83	2/82	Dollar Value 2/83	1/83	2/82	Avg. Value per short ton 2/83	1/83	2/82
Bituminous coal, others No. 5213120									
Belgium	—	—	176,570	—	—	8,794,086	—	—	49.80
Canada	1,372	1,397	3,150	60,556	67,125	131,028	44.13	48.04	41.59
China, Taiwan	188,091	—	118,382	7,866,839	—	4,568,550	41.82	—	38.59
Denmark	80,879	166,527	143,808	4,330,653	7,489,837	7,723,244	53.54	44.97	53.70
Finland	—	68,849	—	—	2,855,258	—	—	41.47	—
France	213,529	55,974	243,523	9,321,491	2,099,051	11,553,213	43.65	37.50	47.44
Germany, F.R. (West)	984	59,792	120,376	192,984	3,480,749	6,724,937	196.12	58.21	55.86
Italy	199,674	68,863	308,100	8,326,455	3,794,918	13,525,851	41.70	55.10	43.90
Japan	238,043	142,802	319,284	11,708,971	6,793,988	16,736,490	49.18	47.57	52.41
Netherlands	30,903	122,759	60,093	1,648,755	5,589,853	2,950,991	53.35	45.53	49.10
Spain	163,589	245,836	218,288	6,408,330	10,092,508	10,828,441	39.17	41.05	49.60
Total, above	1,117,064	932,799	1,711,574	49,865,034	42,263,325	83,536,811	44.63	45.30	48.80
Total, other nations	137,774	301,418	116,844	5,047,051	14,515,436	6,359,951	36.63	48.15	54.43
Total, all nations	1,254,838	1,234,217	1,828,418	54,912,085	56,778,761	89,896,762	43.76	46.00	49.16
Lignite No. 5213130									
Total, all nations	3,350	1,293	2,325	286,457	97,027	248,349	85.50	75.04	106.81
Coal coke for use as fuel No. 5213148									
Total, all nations	43,353	55,667	101,474	3,085,027	4,305,112	6,525,777	71.16	77.33	64.30
Petroleum coke, except calcined No. 5213150									
Canada	12,000	33,032	10,932	542,032	1,070,080	547,117	45.16	32.39	50.04
Japan	391,435	379,969	150,382	15,247,119	15,748,012	7,810,568	38.95	41.44	51.93
Netherlands	65,500	174,308	43,442	1,526,000	7,109,585	2,300,423	23.29	40.78	52.95
Total, above	468,935	587,309	204,756	17,315,151	23,925,677	10,658,108	36.92	40.73	52.05
Total, other nations	303,674	614,716	65,094	7,547,868	17,161,618	3,536,314	24.85	27.91	54.32
Total, all nations	772,609	1,202,025	269,025	269,850	24,863,016	41,087,295	32.18	34.18	52.60
Compositions for fuel No. 5213160									
Total, all nations	4,174	64	8,582	252,408	12,645	514,116	60.47	197.57	59.90
Anthracite No. 5213170									
Korea Rep. (South)	—	—	36,355	—	—	2,259,463	—	—	62.14
Total, all nations	1,962	4,702	44,274	133,616	687,940	2,905,552	68.10	146.30	65.62

BEST AVAILABLE COPY

5/19/83

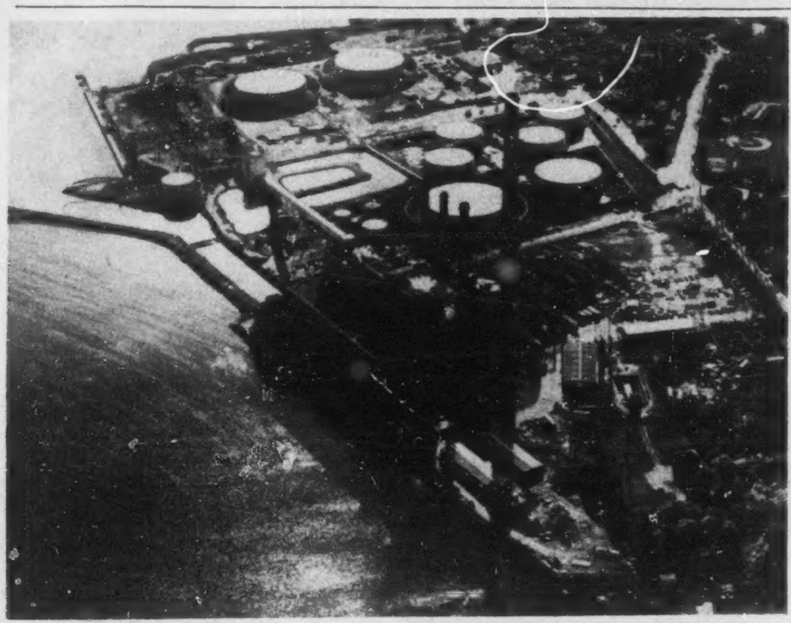
C2350-1a

Focus:
REBUILDING
AND RECOVERY
Starts on Page 8

COAL INDUSTRY NEWS
Coal's National Newspaper

BULK RATE
U.S. POSTAGE
PAID
Permit No. 332
Des Plaines, IL 60018

MAY 16, 1983 1301 Pennsylvania Ave., N.W., Washington, D.C. 20004 Volume 7, Number 9 $1 a Copy; $24 a Year



Utilities Renew Interest in Coal Purchases

NOT ALL utilities can make the conversion to coal as successfully as New England Electric's Salem Harbor Station in Salem, Mass. But coal companies are out recruiting the conversion market, and many see an upturn in business generally with more contracts being signed with railroads and utilities. For more information on how the recessionary gloom is beginning to lift, turn to this issue's Focus on page 8.

Federal Coal Lease Probe: Congress Just Warming Up

By Steve Marcy

WASHINGTON — Congress this summer will begin picking in earnest through the debris of the alleged fire sale of Powder River Basin coal leases, an exercise likely to bring the House and Senate to an initial standoff over the program's future.

The House Appropriations Committee will probably recommend lease bans in fiscal 1983 and 1984, sources there say. Their counterparts in the Seate expect that appropriations panel to fight the leasing moratorium on grounds it would in effect kill the program outright.

The House Appropriations Interior Subcommittee has already voted suspension of any more sales for the balance of this fiscal year, which ends Sept. 30. That would stop July's proposed 713-million-ton Fort Union sale in Montana and North Dakota.

Sources in both chambers say, however, the key senators and congressmen with jurisdiction over the coal program have not had time yet to review allegations in a General Accounting Office report that Interior sold the coal in its largest lease offering ever for $100 million less than the coal was worth. An earlier House Appropriations Committee analysis pegged the shortfall at about $60 million.

Interior's Response

Garrey Carruthers, assistant Interior secretary for land and water resources, said in response to the GAO report that the bids "did represent an accurate reflction of market conditions at the time of the sale."

Congressional critics don't dispute that. They say that the market is so slack that the sale should never have been held.

Senate sources say the same issue emerged last year after the April, 1982 Powder River Basin sale, and the Appropriations Committee voted to continue with the program then. Sources say they expect the committee to back the program again, but "we haven't looked forward to the outcome on the floor.

Outcome last year was a 48-47 decision to continue the program.

GAO said that Interior relied heavily on actual sales results in determining fair market value, a post-sale method adopted only six weeks prior to the sale. •

"For this approach to work," GAO said, "at least some of the offered tracts must stimulate genuine competition." Competition failed to materialize for the 1.6 billion tons offered in the Powder River tracts, the GAO charges. Only three of 13 recieved two bids. The rest received only one each.

GAO urged Interior Secretary James Watt to forgo issuing Powder River leases and to postpone the two sales scheduled for the remainder of 1983 and four sales scheduled for 1984 until a method for obtaining sufficient value is obtained.

One congressional source sympathetic to the program points out that the dispute is fair value over the bonus bidding system for the coal tracts when most of the government's revenue — up to 80 percent — on the coal will come from the 12.5 percent royalty rate.

The source also points out that leases

(Continued on page 2)

NEWS ROUNDUP

France reports progress in getting domestic industry to switch to coal. Michel Le Guillou, managing director of CdF Energie, the French coal board's new marketing unit, said there's "significant repenetration" in industries other than coal and cement, and in district or collective heating schemes since the effort began slightly more than a year ago. He told a press conference that approximately 150 firms' decisions to convert to coal will likely result in France consuming an additional 730,000 metric tons of coal annually.

* * *

Italy, meanwhile, is facing major delays in implementing a major conversion to coal. Highly touted as an alternative energy source in the country's national energy plan passed in November 1981, coal is encountering major transportation problems. The state utility board, Enel, and other parts of the Italian government are at odds over whether rail or barge investments should be made to meet the needs of the $71.7 billion, 10-year plan designed to cut Italy's oil dependence from 67.2 percent of total energy needs in 1980 to 51 percent by the end of this decade.

* * *

Despite continued deficits, **Britain's natonalized coal industry managed to cut its losses in the year ending March**

(Continued on page 2)

At 3-Day Conference in Paris

U.S. Companies Attempt to Assure They Retain Europe Market Share

By Michael Parrott

PARIS — It will be a long time before U.S. coal producers forget the phenomenal rise in steam coal exports that followed the 1979 oil price shock.

Until then, virtually all the coal shipped to foreign markets other than Canada was metallurgical. But within two years, overseas sales of steam coal had leaped to 33 million tons out of total exports of 92 million. If Canada is included, the figure was 45 million out of 110 million.

The market which showed the biggest interest in U.S. steam coal was Europe. By 1981, it was buying almost as much steam as metallurgical coal — 16 million tons compared to 30 million. In comparison, Japan imported only 4 million tons of steam coal compared to 22 million of metallurgical coal.

With the Europeans so concerned over their dependence on oil from the Organization of Petroleum Exporting Countries, there seemed no good reason why the growth in steam coal exports to this region should not continue. Indeed, U.S. exporters hope to sell Western Europe as much as 39 million tons by 1990, compared to 12 million in 1980, the largest tonnage increase of any major overseas market.

Such an increase is considered essential if the United States is to succeed in increasing its overall coal exports, including those to Canada, to 138 million tons by that data from the 1980 level of 90 million.

Sudden Decline

But the United States has been concerned recently with a sudden decline in its exports to this key market. Last year, sales to Western Europe fell to 50 million from 56 million tons as total exports fell from 110 million to 100 million tons. Exports of metallurgical coal to Western Europe were down from 30 million to 28 million tons; those of steam coal fell from 26 million to 22 million.

Moreover, no improvement in European sales is expected this year as total exports are forecast to reach 92 million tons, mainly due to a decline in met coal sales essentially with Japan.

The main reason in the decline in European demand for U.S. coal is the deepening recession. It has reduced steel demand for metallurgical coal and forced utilities to revise their electricity demand forecast downward. In the steam coal area, new competition has arisen as a result of growing nuclear capacities, the availability of new Soviet gas supplies and the weakening of the oil price.

At a time when the appreciation of the dollar has removed any advantage that might have been gained from an easing of coal prices, European utilities are less anxious to commit themselves to U.S. coal, especially when South African product remains so cheap and Polish supplies are coming back onto the market again.

So there really was no better time for the U.S. coal industry to hold a three-day conference in Europe to promote U.S. coal than last month in Paris. Representatives of U.S. companies explained why their coal remained a good buy and urged the Europeans not to slacken their efforts in switching away from oil to coal. As National Coal

(Continued on back page)

INSIDE

COAL SLURRY FUELS should begin to fulfill their promise by the middle of the next decade when they start to enter the traditional markets for heavy fuel oils. **Story on page 6.**

WILLIAM RUCKESLHAUS, soon to be confirmed as EPA administrator, plans to take a close look at how to deal with acid rain and says the Reagan administration must be careful in what it plans to propose for revising the Clean Air Act. **Story on page 7.**

ENERGY INDUSTRY EXECUTIVES, while still optimistic about economic recovery this year, are less so than executives from other companies, Donna Smith reports as part of this issue's **Focus on page 9.**

FACTS & FIGURES

	WEEKLY 4/30/83	4/23/83	5/1/82
Production			
Bituminous, recent week	14,102	14,040	17,752
Bituminous, year to date	246,406		292,135
Anthracite, recent week	77	75	88
Anthracite, year to date	1,358		1,573
Railroad carloadings			
Bituminous, recent week	98,264	97,459	119,879
Bituminous, year to date	1,650,321		1,968,773
Anthracite, recent week	116	323	334
Anthracite, year to date	1,984		3,230

Production data in thousands of short tons.
Source: U.S. Department of Energy, Energy Information Administration—Weekly Coal Report.

	WEEKLY 4/30/83	4/23/83	5/1/82
Production by states, bituminous and lignite			
Eastern			
Alabama	428	426	578
Georgia	3	3	—
Illinois	1,135	1,130	1,318
Indiana	533	531	649
Kentucky:			
Eastern	1,987	1,978	2,331
Western	642	639	892
Total, Ky.	2,629	2,617	3,223
Maryland	63	63	87
Ohio	556	554	831
Pennsylvania	1,206	1,200	1,784
Tennessee	129	129	203
Virginia	628	625	892
West Virginia	2,221	2,211	2,595
Total, Eastern	9,531	9,489	12,160
Western			
Alaska	11	11	16
Arizona	236	234	223
Arkansas	3	3	4
Colorado	312	310	405
Iowa	7	7	12
Kansas	12	12	16
Missouri	87	87	111
Montana	429	427	689
New Mexico	319	302	370
North Dakota	304	302	370
Oklahoma	77	77	114
Texas .	546	544	669
Utah	293	292	304
Washington	67	67	105
Wyoming	1,869	1,860	2,149
Total Western	4,571	4,551	5,582
Total, United States	14,102	14,040	17,752

In short tons (000).
Source: U.S. Department of Energy, Energy Information administration—Weekly Coal Reports.

	MONTHLY 3/83	2/83	3/82
Coal Labor			
All employees			
Coal Mining	197.6	199.4	248.3
Bituminous & Lignite	195.0	196.7	244.9
Production employees			
Coal mining	158.2	159.2	206.2
Bituminous & Lignite	155.9	156.9	203.2
Hours, weekly average			
Coal mining	39.3	38.8	41.3
Bituminous & Lignite	39.4	38.9	41.3
Earnings, hourly average			
Coal mining	13.31	13.37	12.33
Bituminous & Lignite	13.35	13.41	12.37
Earnings, weekly average			
Coal mining	523.08	518.76	509.23
Bituminous & Lignite	525.99	521.65	510.88

Source: U.S. Department of Labor, Bureau of Labor Statistics—Employment and Earnings.

	MONTHLY 2/83	1/83	2/82
Bituminous and Lignite			
Consumption			
Electric power utilities	45,700	53,278	48,795
Coal user stocks of coal			
Electric power utilities	167,845	167,515	148,118
Anthracite			
Consumption			
Electric power utilities	73	73	83
Coal user stocks of coal			
Electric power utilities	6,104	6,107	5,401

Note: Data give in thousands of short tons.
Source: U.S. Department of Energy's Energy Information Administration—Weekly Coal Report.

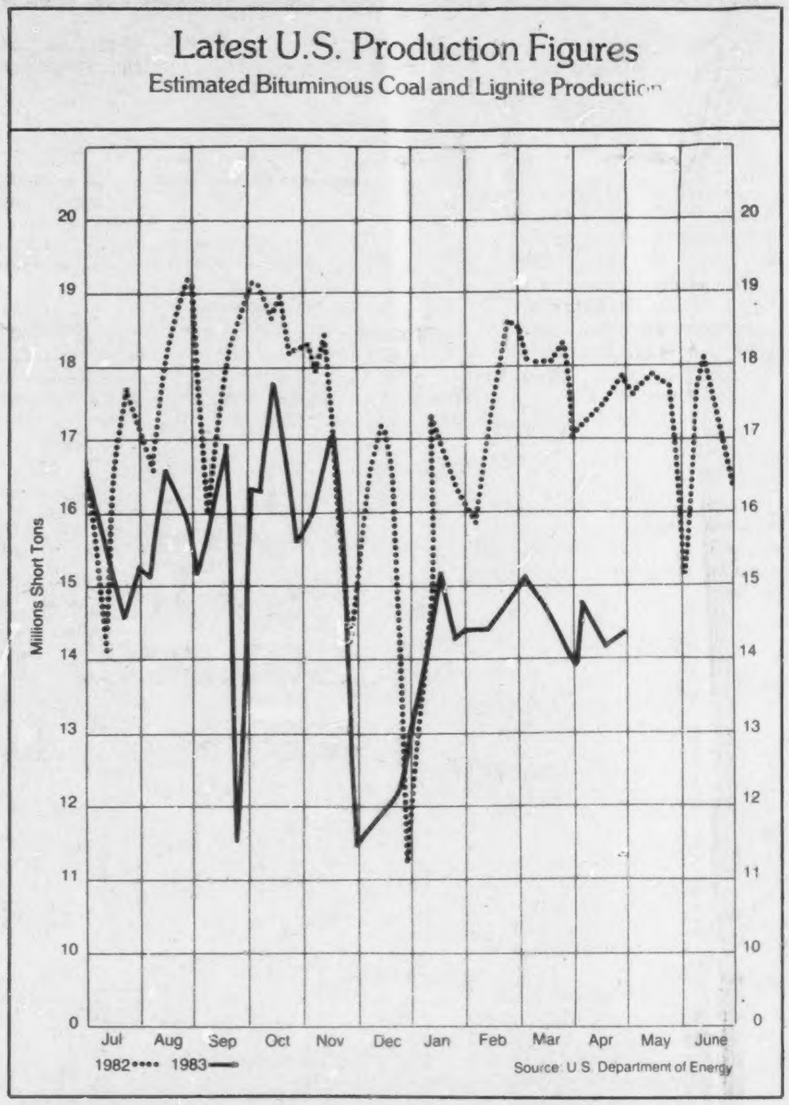
	2/83	1/83	2/82
Coal User Production			
Major district users:			
Electric utilities			
(Mil Kwh.)			
Monthly	92,692	108,164	96,906

	MONTHLY 3/83	2/83	11/82
Price Indexes			
Bituminous Coal and Lignite	104.9	104.2	105.0
Primary Products	103.7	103.2	103.3
Prepared	104.4	103.5	104.4
Steam electric utilities	105.7	104.3	105.4
North Appalachia	104.4	99.5	102.9
Spot	N.A.	N.A.	N.A.
Contract	102.1	N.A.	102.6
South Appalachia	98.2	N.A.	N.A.
Contract	98.0	98.0	99.7
Midwest	109.4	109.3	109.2
Contract	110.7	110.6	110.5
West	109.5	109.1	109.0
Contract	109.5	109.1	109.0
Metallurgical/coke producer	101.3	101.2	101.5
High volatile	100.7	100.4	100.0
North Appalachia	97.2	97.2	97.2
Contract	N.A.	N.A.	N.A.
South Appalachia			
Contract	102.7	102.3	101.5
West	99.0	99.0	100.7
Low volatile	99.6	100.3	102.7
North Appalachia			
Contract	97.8	97.8	100.9
South Appalachia			
Contract	N.A.	102.4	104.2
All other industrial	98.5	101.1	99.7
North Appalachia	92.6	N.A.	N.A.
Contract	91.8	92.4	91.2
Midwest			
Contract	107.0	107.0	107.2
Unprepared (raw)	101.1	102.5	99.9
For preparation at other establishments	N.A.	N.A.	N.A.
For use without preparation	N.A.	N.A.	N.A.
Anthracite	152.7	153.2	154.0
Primary products	151.5	152.0	152.6
Prepared anthracite shipped	153.3	153.9	154.7
Stove	148.6	151.2	151.7
Chestnut	148.4	148.4	151.5
Pea	159.0	160.3	160.3
Buckwheat no. 1	149.0	149.0	149.0
Buckwheat no. 2	160.8	160.8	160.8
Buckwheat no. 4	143.9	143.9	143.9
Buckwheat no. 5	110.2	110.2	112.0

N.A.—Not Available

Source: Bureau of Labor Statistics, Department of Labor.
Note: The Bureau of Labor Statistics has recalibrated its producer price index figures for bituminous and lignite, as well as reorganizing its pricing categories. The new index is based on a compilation of average prices for December 1981, and that month appears as 100. The former index used June 1976 prices as its base.

Domestic


Latest U.S. Production Figures
Estimated Bituminous Coal and Lignite Production

Source: U.S. Department of Energy

PRODUCTION OF bituminous coal and lignite increased 62,000 tons, 0.4 percent, in the week ended April 30 to 14.102 million short tons. This was still below the 17.752 million short tons produced in the corresponding week of 1982, the Department of Energy's Energy Information Administration reports. Production since the first of the year totaled 246.406 million short tons, 15.7 percent fewer than for the same period in 1982.

	Quantity in short tons 3/83	2/83	3/82	Dollar Value 3/83	2/83	3/82	Avg. Value per short ton 3/83	2/83	3/82
Bituminous coal, others No. 5213120									
Belgium	36,804	—	34,857	1,517,530	—	1,339,716	41.23	—	47.04
Canada	2,783	1,372	819	116,438	60,556	32,760	41.84	44.13	40.00
China, Taiwan	57,515	188,091	57,605	2,269,686	7,866,839	2,566,976	39.46	41.82	44.56
Denmark	212,350	80,879	224,416	10,044,618	4,330,653	11,191,655	47.30	53.54	49.87
Finland	25	—	—	966	—	—	38.64	—	—
France	198,561	213,529	293,947	9,224,855	9,321,491	13,758,629	46.46	43.65	46.81
Germany, F.R. (West)	60,022	984	129,101	3,494,109	192,984	6,987,405	58.21	196.12	54.12
Italy	483,567	199,674	302,907	21,357,373	8,326,455	14,376,113	44.17	41.70	47.46
Japan	337,037	238,043	731,554	16,781,362	11,708,971	39,267,912	49.79	49.18	53.68
Netherlands	196,332	30,903	185,894	9,579,126	1,648,755	7,741,493	48.79	53.35	41.64
Spain	235,481	163,589	274,907	9,829,909	6,408,330	12,958,430	41.74	39.17	47.14
Total, above	1,820,477	1,117,064	2,236,007	84,215,972	49,865,034	110,521,089	46.26	44.63	49.43
Total, other nations	187,048	137,774	212,947	8,587,152	5,047,051	10,682,828	45.91	36.63	50.17
Total, all nations	**2,007,525**	**1,254,838**	**2,448,954**	**92,803,124**	**54,912,085**	**121,203,917**	**46.23**	**43.76**	**49.49**
Lignite No. 5213130									
Total, all nations	**3,661**	**3,350**	**3,642**	**217,060**	**286,457**	**342,437**	**59.20**	**85.50**	**94.02**
Coal coke for use as fuel No. 5213148									
Total, all nations	**31,927**	**43,353**	**84,734**	**2,895,081**	**3,085,027**	**6,542,520**	**90.68**	**71.26**	**77.21**
Petroleum coke, except calcined No. 5213150									
Canada	42,864	12,000	12,398	1,702,382	542,032	672,621	39.72	45.16	54.25
Japan	331,199	391,435	135,817	11,541,633	15,247,119	7,111,090	34.85	38.	52.36
Netherlands	228,257	65,500	105,282	8,115,145	1,526,673	35.55	23.29	54.75	
Total, above	602,320	468,935	253,497	21,359,160	17,315,151	13,548,384	35.46	36.92	53.45
Total, other nations	597,583	303,674	248,236	16,482,768	7,547,868	14,117,779	27.58	24.85	56.87
Total, all nations1,199,903	**772,609**	**501,733**	**37,841,928**	**24,863,019**	**27,668,163**	**31.54**	**32.18**	**55.14**	
Compositions for fuel No. 5213160									
Total, all nations	**5,935**	**4,174**	**522**	**351,379**	**252,408**	**79,008**	**59.20**	**60.47**	**151.36**
Anthracite No. 5213170									
Korea Rep. (South)	—	—	77,137	—	—	2,589,186	—	—	35.57
Total, all nations	**29,949**	**1,962**	**84,411**	**2,326,303**	**133,618**	**3,214,323**	**77.68**	**68.10**	**38.08**

Exports & Imports

	Quantity in short tons 3/83	2/83	3/82	Dollar Value 3/83	2/83	3/82	Avg. Value per short ton 3/83	2/83	3/82
Bituminous coal, low volatile blends to make coke No. 5213110									
Belgium	146,094	102,086	814,007	9,605,027	6,372,387	41,252,017	65.75	62.42	50.68
Brazil	161,780	260,658	514,418	10,564,837	10,641,939	21,982,830	65.30	40.82	42.73
Canada	42,470	118	505	2,388,764	5,874	23,074	56.25	49.77	45.69
France	286,306	143,400	970,336	15,393,465	5,392,126	48,957,945	53.77	37.60	50.45
Germany, F.R. (West)	44,860	84,860	99,512	2,309,912	4,065,356	5,170,081	51.49	47.90	51.95
Italy	572,042	676,515	673,455	30,581,772	28,779,335	35,730,867	53.46	42.54	53.06
Japan	1,825,087	1,026,776	3,824,548	113,912,012	59,598,260	220,168,421	62.41	58.04	57.57
Netherlands	233,081	182,030	449,993	12,809,887	9,584,337	23,084,802	54.96	52.65	51.30
Spain	262,187	183,130	504,925	15,393,465	7,872,189	26,394,751			
Sweden	—	78,036	—	—	3,704,349	—	—	47.46	—
United Kingdom	114,765	—	207,215	6,758,965	—	11,685,406	58.89	—	56.39
Yugoslavia	35,364	107,563	113,581	1,967,000	5,308,418	7,007,642	55.62	49.35	61.70
Total, above	3,724,036	2,845,172	8,172,495	221,685,106	141,324,578	441,457,836	59.53	49.67	54.02
Total, other nations	526,254	702,612	766,238	28,240,957	40,666,377	40,834,653	53.66	57.87	53.29
Total, all nations	**4,250,290**	**3,547,784**	**8,938,733**	**249,926,063**	**181,990,955**	**482,292,489**	**58.80**	**51.29**	**53.96**

BEST AVAILABLE COPY

Despite Relatively Poor 1st Quarter Results

Bull Market's Momentum Carries Most Coal and Related Issues Higher

NEW YORK — The bull market succeeded for the most part in dragging components of *Coal Industry News's* list of 79 stocks higher despite their relatively poor first-quarter earnings.

In the most recent week's trading, only 13 of the 35 coal company stocks were down and two, Pittston and Shell Oil, closed unchanged.

Equipment makers and suppliers to the industry were markedly stronger as only two stocks — Goodrich and Research Cottrell — edged downward, each by only a quarter point.

One of the seven transportation stocks — Santa Fe Industries — was down and it fell only 3/8.

Among the seven coal users, Kaiser Cement slipped 3/8, while Inland Steel fell 1 1/8 and Republic Steel dropped 1 1/2, as weakness persisted in the steel and construction industries.

Most Indexes Climb

During this same period, most stock market indexes were at or above recent record highs. The closely-watched Dow Jones Industrial Index closed at its new high of 1232.59 on May 6. This was a gain of 6.39 points, or 0.52 percent, in the week, and placed the index well above its recent previous high of 1226.20 of April 29. Reflecting buyer interest in the market, volume for the May 6 Week reached 515,485,709 shares, the fourth highest weekly total on record.

At the same time, the Dow Jones Transportation Index of 20 stocks also reached a new high of 552.10, up 4.53 points over the previous record set a day earlier. Its gain for the week amounted to 5.17 percent, or 27.16 points. The utility index of 15 stocks rose by 0.70 points, or 0.55 percent, to 129.11.

There was little in the news that could affect the upward trend of the 79 stocks in the *Coal Industry News's* list, other than the continuing bullish drive of the overall market. North American Coal, for example, added 1 3/4 to close the week at its weekly high of 37 1/2, although its first quarter report showed net of $5.4 million down from $7.1 million a year earlier.

Westmoreland Coal, which boasted of "profitable operations in spite of comparatively low sales levels," added 1 1/2 to close at 26 1/2, just 1/8 under its weekly high.

Other Moves

Likewise, Eastern Gas and Fuel added 1 3/8 and closed at 20 1/2, just 1/4 off its weekly high. Its first quarter report showed net of $15.8 million against $18.6 million and the company noted that "weak demand and lower prices in worldwide markets caused first quarter pre-tax losses at our coal operations."

Pittston, on the other hand, was unchanged although its net fell to $2 million from $15.4 million and the company advised that "continued soft demand for both metallurgical and steam coal caused a 41 percent decrease in tons sold in the first quarter."

Among the suppliers, Dravo, Ingersoll-Rand and Signal Cos., each of which wound up the quarter in the red, posted fractional gains in the week's trading. Allis-Chalmers, which showed shopping $62.4 million loss versus $2.5 million net a year ago, gained 1 1/2. Kennametal tacked on a strong gain of 3 points and closed at its weekly high of 27 1/2 although the company reported a loss of $2.9 million against net of $7.9 million in the first quarter of 1982.

Obviously, investors are looking for bargains and are turning in increasing numbers to those issues that have been hit hardest and have failed to partake of the economic pickup at this stage.

May 6, 1983

company	sales 100s	wks. high	wks. low	last	net chg
Coal Companies					
Amax	x14037	u32¾	26¾	29⅝	+2¼
AEIPw/a	x15667	19⅞	18¾	19⅝	+⅛
AshlOil/b	3391	34	31⅞	33⅞	+1⅞
BethStl/c	x7797	21⅝	20¾	21½	+⅜
Boeing/d	20418	39⅝	36¼	39⅛	+⅞
DuPont/e	15132	u48⅞	45¾	47½	+⅝
EsstGF	1623	20¾	18⅞	20½	+1⅜
ElPaso	16675	17⅛	15⅛	15⅛	-1⅞
Exxon/g	51759	u35¾	34⅝	35¼	-⅛
GTire	x1259	u37	34⅜	36¾	+2⅛
Gdrich	3671	43¾	41⅜	43¼	-¼
GenEl/h	17273	112⅝	108⅝	111½	-⅜
Grace/i	5957	u46¼	43⅝	46	+½
GulfOil/u	x24061	35⅛	33⅝	34⅝	+1⅛
Hanna/j	309	25⅛	24¾	24⅞	+⅛
KerrMc	7746	33½	31⅝	32⅝	-1
Mapco	x6464	23⅞	23¼	23⅝	+¼
Mobil	x31827	31⅝	30	30½	-⅜
MonPw/k	1421	274/8	26¾	27	-⅜
Newmt/l	5610	55½	52½	55⅜	+1⅜
NACoal	278	37½	35½	37½	+1¾
OcciPet/m	7604	20⅞	20⅛	20¼	-⅝
PacPw/n	3110	23⅛	22⅜	22½	-¾
PaPL/f	2542	24½	23¼	24¼	+⅝
PhilPet	x36101	35⅝	32⅝	33⅝	-2⅝
Pittstn	3192	14⅛	13⅝	13⅞	...
ShellO	4312	42¼	41	42	...
StOilCl/o	x32431	u40⅞	37⅝	38⅜	-1¾
StdOOh/p	17026	u47⅞	45½	46¾	-½
SunCo	x4805	38½	36½	37¾	-⅛
Texaco	18976	36½	35⅞	36⅜	+⅛
TexUtil	6886	u26¼	24⅞	26⅛	+1⅛
USSteel	x14952	24⅛	22⅝	23¾	-⅜
UtaPL	1822	u23¾	23	23⅝	+⅛
WalJm	2805	u46¼	43⅛	45¾	+1½
West	322	u26⅝	24¼	26½	+1½
William/q	13794	u25½	23⅝	25	+⅜
Suppliers					
ACF	1574	35¾	33½	35¾	+1¾
AllisCh	2039	u16	14	15⅞	+1½
BucyEr	2862	14⅝	13¼	14¼	+¾
CatrpT	11301	u49½	45⅝	49	+2½
Chryslr	42696	u29½	24⅝	28½	+2⅝
CmbEn	2882	35⅞	33⅝	35½	+2
DowCh	23358	u33⅞	31⅝	33¾	+⅝
Dravo	x1593	13⅝	12⅝	13⅝	+⅝
Dresr/r	9962	19⅝	18⅝	19⅝	+½
FMC	1961	u39½	36¼	39¼	+2¼
Firest	7450	u22¾	21⅜	22½	+½
Fluor/s	6466	24	21⅝	23¾	+1⅜
FordM	33146	u52⅞	48¾	51¾	+⅜
GTE/t	23095	u46⅝	43¼	46	+2½
GMot	x35665	u71⅝	66⅞	70⅝	+2½
Goodyr	17573	34¼	32¾	34	+½
IngerR	4532	47¾	45¼	47½	+⅝
IntHarv	13062	11½	9½	10⅞	+1⅛
JoyMfg	4344	26¾	24¾	26¼	+1¼
Kenmt	x2324	27½	23⅞	27½	+3
McDnD	6331	u61¼	55⅞	60⅞	+3⅛
NMineS	123	8½	8	8½	+⅜
Penwlt	1108	38¾	38	38¾	+⅛
RshCot	681	16⅝	16⅛	16⅝	-¼
Signal/y	x8226	31⅞	29⅝	31¾	+¾
Tenneco	11039	u39⅛	37⅛	39	+1½
UnCarb	x8313	u65⅞	60	65½	+1⅞
WestgE	x14636	48⅞	43⅝	48¼	+3¾
Transportation					
BrlNth	x7056	83	76	81⅞	+4⅛
CSX	4960	u66⅝	61½	66	+1⅛
CNWst	1773	40¼	36½	39⅞	+2⅝
IClnd	1249	41¾	41¼	42⅝	+¾
NorSo	x7172	57½	54¼	56⅞	+2⅝
SFeInd	7995	28⅜	26⅞	27⅝	-⅜
UnPac	19404	u59	53¼	58	+3
Users					
Alcoa	18349	35½	31⅜	35	+3
InldStl	x2077	31½	29⅝	29⅝	-1⅜
KaisCe	558	30⅜	29¼	29¾	-⅜
KaisrSt	5563	39¾	35⅝	38⅛	+2⅞
NatlStl	2777	u29	25¾	28¾	+1⅝
RepStl	12485	24	22⅛	22½	-1½
WhelPit	305	19⅛	18	19	+⅞

a/owns Central Ohio Coal, b/owns 50 percent of Arch Mineral, c/owns Bethlehem Mines, d/owns 15 percent of Peabody Holding Co., e/owns Conoco and Consolidation Coal, f/owns Greenwich Collieries, Rushton Mining and Tunnelton Mining, g/owns Exxon Coal, h/owns Utah International, i/owns 50 percent of Colowyo Coal, j/owns 50 percent of Colowyo Coal, k/owns Western Energy, l/owns 27.5 percent of Peabody Holding, m/owns Island Creek Coal Co., n/owns Nerco, o/owns 20 percent of Amax, p/owns Old Ben Coal Co., q/owns 27.5 percent of Peabody Holding Co., r/owns Jeffrey Mining, s/owns 10 percent of Peabody Holding Co., t/owns American Mine Tool, u/owns Pittsburg and Midway Coal Mining Co., w/new 52-week high, x/ex-dividend and sales in full, y/controls Wheelabrator-Frye.

Professional Services Directory

SEEGMILLER INTERNATIONAL
Mining Geotechnical Consultants Engineers
Underground and Highwall Stability
Longwall Design • Support Load Densities • Floor Bearing Pressure • Chain and Barrier Pillars • Room Size and Support • Subsidence Analysis • Roof, Coal and Floor Material Properties • Highwall Design • Instrumentation • Geotechnical Testing
143 South 400 East SALT LAKE CITY, UTAH 84111 USA
Tel. 801-383-0806 Cables: ROCKENGR

Gilbert/Commonwealth
Environmental Impact Assessment
Coal Analysis • Reclamation
Site & Facility Engineering
Engineers and Consultants
Jackson, MI (517) 788-3500
Denver, CO (303) 741-2600

L. J. HUGHES & SONS, INC.
DIAMOND CORE DRILLING
PRESSURE GROUTING
FOUNDATION AND SOIL BORINGS
320 Turnpike Rd.
Summersville, West Virginia 26651
304-872-1111

JOHN T. BOYD COMPANY
MINING AND GEOLOGICAL ENGINEERS
400 Oliver Building Mellon Square
Pittsburgh, PA 15222 (412) 562-1770
Telex No. 866361
Denver, CO Huntington, WV
Houston, TX New York, NY

Paul & McDonald Associates, Inc.
AIR POLLUTION CONTROL TECHNOLOGY
- Feasibility Studies
- Coal Sourcing
- Impact of Coal and Ash Properties on Boiler Operation and Air Pollution Control

Two Riverchase Office Plaza, Suite 106
Birmingham, Alabama 35244
205-988-8192

Gates&Fox Company, Inc.
UNDERGROUND CONTRACTORS SINCE 1950
Construction & Mining
Services – Engineering – Management
6030 KING RD. P.O. BOX 105
LOOMIS, CA 95650 (916) 652-7292

BRITISH MINING CONSULTANTS (USA) LTD.
Consulting engineers in mining, materials processing, general engineering and management services.
P.O. Box 2339, Fairfax, Va. 22031
703-691-9223

APPALACHIAN COAL SURVEYS
GEOPHYSICAL SERVICES - Slim Hole Logging Specialists
- COMPLETE LOGGING SUITES - density, gamma, neutron, sonic, electric, temperature, verticality
- COAL DENSITY LOGS - 1/2 inch primary spacing
- DEGREED OPERATORS - trained in interpretation, skilled in troubleshooting

GEOLOGICAL CONSULTING - Experts in Modern Exploration Techniques
- FIELD MANAGEMENT & DRILL SUPERVISION
- COAL RESERVE STUDIES & DELTAIC MODELING
- PHOTOGEOLOGICAL INVESTIGATIONS
- PREDICTIVE GEOLOGY For MINING CONDITIONS
- GROUNDWATER MONITORING SYSTEMS

Contact:
Craig B. Clemmens C.P.G.S.
P.O. Box 17203
Pittsburgh, PA 15235
Telephone (412) 243-3039

The Norwest Group
NorWest
Consultants to the coal industry:
Surface & Underground Mining
Geology, Utilization
Coal Preparation & Handling
Marketing, Economics

Norwest Resource Consultants
Calgary, Alberta
403-237-7763
Denver, Colorado
303-773-6605
Salt Lake City, Utah
801-364-5343

North American Consultants, Inc.
NACI
Engineering
Feasibility Studies
Surface Mining
Underground Mining
Longwall Application
Coal Preparation
Mine Construction
Operations Management
Geotechnical Studies
Computer Application
Productivity & Safety Analysis
Geology
Exploration
Drilling Programs
Reserve Studies
Quality Analysis
Environmental
Mine Permitting
Hydrologic Studies
Reclamation
Soils/Land Use
Waste Disposal,
Cultural Resources
Environmental Management
13140 COIT RD. DALLAS, TX. 214/644-5001

MDS MINING DATA SYSTEMS
A Div. of
Petroleum Data Systems, Inc.
COMPUTER SYSTEM
*Manage mineral properties & claims
*Adaptable to any size Operation
800-525-1631 or 303-839-5487 (In Co)
835 E. 18th St., Denver, Co 80218

DAVIS
INSTRUMENT MANUFACTURING CO., Inc.
513 E. 36th Street, Baltimore, MD 21218
301-243-43[illegible]
America's first & finest precision vane Anemometers have been used in coal mines for over 60 years to insure meeting ventilation requirements.

Pugliese & Associates, Inc.
Coal Preparation Specialists
Consulting • Feasibility Studies
Project Management
Plant Planning and Design
21 Windermere Drive
Valencia, PA 16059
412-898-1620

For DIRECTORY information, call toll free
800-368-5803 or **202-638-6127** (Wash., D.C.)
Ask for **Judy Grill**

BEST AVAILABLE COPY

6/13/83
C2350-1A

FOCUS:
UTILITIES
Starts on Page 4

COAL INDUSTRY NEWS

Coal's National Newspaper

BULK RATE
U.S. POSTAGE
PAID
Permit No. 332
Des Plaines, IL 60018

JUNE 6, 1983 1301 Pennsylvania Ave., N.W., Washington, D.C. 20004 Volume 7, Number 10 $1 a Copy; $24 a Year

NEWS ROUNDUP

A postponement of federal coal leasing was rejected by the Senate Appropriations Committee in its supplemental spending bill for fiscal 1983. But committee member **Dale Bumpers, D-Ark., is looking for a way to install it** either on the Senate floor or in a conference with the House. Senate sources say that Bumpers' strategy depends on the probable outcome on the Senate floor. If a leasing moratorium appears likely to lose big there, he may forego offering it and instead ask one of the Senate conferees to argue for the House's ban in conference. One source told *Coal Industry News* that Senate Appropriations Committee Chairman Mark Hatfield, R-Ore., may favor a postponement.

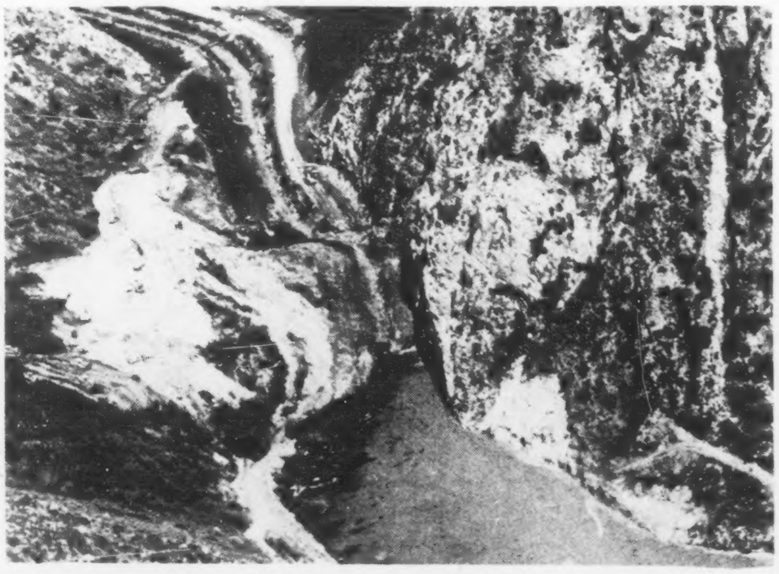
* * *

The Supreme Court has agreed to hear a challenge to the Environmental Protection Agency's air pollution policies. The justices will hear an appeal from the government and the oil and steel industries of a ruling invalidating the EPA's definition of a pollution source as an entire plant, rather than specific parts of a plant. The District of Columbia Circuit Court of Appeals also denied an attempt to extend the use of the bubble concept to areas that have yet to meet minimum national air quality standards. The extension was contained in the same rules modifying the definition of air pollution source. Industry is also contesting that decision.

* * *

America's independent oil and gas

(Continued on page 2)



Mudslide Blocks Utah's Major Coal Route

MUDSLIDE IN UTAH'S THISTLE CANYON buried railroad tracks (upper left) of Denver and Rio Grande Western line between Price and Spanish Fork. Utah Railway Co., which shares ownership of the tracks, has suspended operations although Rio Grande is continuing limited activity. A tunnel bypassing the slide and lake backed up behind it will probably be completed by July 1. In the meantime, Utah mine operators shipping west have either closed operations or are transporting coal over a 1,000-mile detour. For more on the slide and its impacts, see page 3. (Photograph used by permission of The Deseret News, Salt Lake City.)

Claimant Must Prove Black Lung Benefit Need

WASHINGTON — The burden for proving entitlement to black lung benefits has been thrust onto the claimant in new Labor Departmet regulations issued last week.

The new regulations, which are being issued to carry out 1981 amendments to the Black Lung Benefits Act and the Black Lung Revenue Act, took effect May 31.

They tighten elgibility standards by no longer presuming that:

- A coal miner with 10 or more years in the coal mines who died of a respirable disease did so at the hands of pneumoconiosis.
- A miner with 15 years of employment and is totally disabled with a pulmonary or respirable disease suffers the condition because of black lung.

(Continued on page 2)

Slurry Proponents Eye Final Hurdle in House

WASHINGTON — Coal pipeline supporters believe they won a decisive battle against the railroads two weeks ago and are looking forward to clearing the last hurdle to a House floor vote in one day of markup this week.

The supporters expect House action about June 16 and a Senate showdown late in the month despite the continued strong opposition from Sen. John Danforth, R-Mo. Danforth represents an agriculture industry worried that the railroads will try to compensate for any decline in coal traffic by raising rates on grain.

The possibly decisive battle on coal pipeline eminent domain occurred in the House Public Works Subcommittee on Surface Transportation, where three amendments that could have prevented any pipeline construction were defeated.

Losing on a 15-4 vote was an amendment of Rep. Robert W. Edgar, D-Pa., that would have required a state granting water to a

(Continued on page 2)

INSIDE

UTILITY CONVERSIONS from oil to coal are slowing down as many take a second look in the midst of soft oil prices. Gene Smith takes a look at which are proceeding and which are being abandoned, and why, as part of this issue's **Focus on page 4.**

TAX RELIEF PROPOSALS for the coal and minerals industries are opposed by the Treasury Department, even though one has already been ratified by two federal appeals courts, reports Steve Marcy **on page 9.**

Coal Industry News Will Be Merging with The Oil Daily

Dear Reader:

This edition of *Coal Industry News*, dated June 6, 1983, will be the final issue in the newspaper's present form. It is being merged with *The Oil Daily*, a sister trade newspaper which for 30 years has covered all aspects of energy from oil to coal to natural gas to synthetic fuels in all parts of the nation and the world.

We are interrupting our regular publishing cycle indefinitely — but we hope not permanently.

Whitney Communications Corp. began publishing and revamping the newspaper in February 1981, having acquired it from a group of investors who had started it in 1977.

At that time, we believed the coal industry needed a weekly newspaper to report events of significance to the industry on a timely basis and in depth. Our plan was to improve and broaden our news coverage by utilizing the energy reporting resources and editorial expertise established over three decades by *The Oil Daily*. We hoped for enough advertising support to enable us to step up our frequency from twice monthly to weekly.

A weekly newspaper, we believed, could fill the news and advertising gap between each monthly publication of the two major coal magazines. Leaders of the industry encouraged us. So did our own performance.

We changed our format to a modern look and increased our controlled circulation from 10,000 to 13,000. We "qualified" more than 70 percent of that circulation by contacting potential subscribers and asking them to indicate to us by mail that they wished to receive the newspaper. Our readers cut across the industry: 48 percent are from coal mining and processing, 15 percent are buyers of coal, 3 percent are coal exporters, 2 percent are coal transporters, 6 percent are consultants, 2 percent are government officials, and 18 percent are coal equipment manufacturers and distributors.

We made a substantial investment to provide a national newspaper for the coal industry. Unfortunately, we have not been able to attract enough advertisers to date to make a separate publication practical — at least not now.

We believe the coal industry does need a national newspaper with solid journalistic coverage. Our timing was poor. The industry may be on the brink of great growth, but it has not occurred in the past two years. It does not seem likely in the immediate future. For example, production of coal fell by 15 percent in the first three months of this year compared to a year ago as utilities used their large inventories and electrical use declined. Lower oil prices have caused utilities here and in Europe to cancel or postpone converting oil-fired plants to coal.

In merging with our sister publication, *The Oil Daily*, we will keep the name *Coal Industry News* alive. Editor Gene Smith, with years of industry reporting experience and many friends in the industry, will be joining *The Oil Daily*, writing a weekly column from New York. Correspondents who Smith hired will be asked to write for our special coal sections or supplements. Steve Marcy, Washington Bureau Chief for *Coal Idustry News*, will join *The Oil Daily's* Washington staff and write a weekly report on the coal industry that will be called *Coal Industry News*.

Coal Industry News will continue to be distributed to major industry meetings such as the American Mining Congress, the National Coal Association and the 1983 Coal Technology Conference, either as a separate publication or as a special supplement to *The Oil Daily*.

We are making a major effort to gain circulation for *The Oil Daily* among subscribers to *Coal Industry News* on the principle that news of all energy is important to the industry. Advertisers will continue to benefit through their placements in the special coal sections and reports of *The Oil Daily*.

In summary, there is not enough current advertising support for a separate national newspaper for coal, but we intend to keep *Coal Industry News* alive as part of *The Oil Daily*. We hope to be able to reconstitute it as a separate publication for special events — and perhaps bring it back as a weekly tabloid newspaper at a future date.

DeVan L. Shumway
Publisher
Coal Industry News
The Oil Daily

BEST AVAILABLE COPY

FACTS & FIGURES

	WEEKLY		
	5/14/83	5/7/83	5/15/82
Production			
Bituminous, recent week	14,671	14,422	17,100
Bituminous, year to date	**275,499**		**326,185**
Anthracite, recent week	80	78	85
Anthracite, year to date	**1,516**		**1,348**
Railroad carloadings			
Bituminous, recent week	102,170	100,091	118,818
Bituminous, year to date	**1,852,582**		**2,205,532**
Anthracite, recent week	181	513	417
Anthracite, year to date	**2,678**		**3,801**

Production data in thousands of short tons.
Source: U.S. Department of Energy, Energy Information Administration—Weekly Coal Report.

	WEEKLY		
	5/15/83	5/7/83	5/15/82
Production by states, bituminous and lignite			
Eastern			
Alabama	445	437	530
Georgia	3	3	—
Illinois	1,181	1,161	1,175
Indiana	554	545	615
Kentucky:			
Eastern	2,067	2,032	2,109
Western	667	656	883
Total, Ky.	**2,734**	**2,688**	**2,992**
Maryland	65	64	86
Ohio	579	569	823
Pennsylvania	1,254	1,233	1,685
Tennessee	134	132	201
Virginia	653	642	883
West Virginia	2,310	2,272	2,570
Total, Eastern	**9,912**	**9,746**	**11,560**
Western			
Alaska	12	11	16
Arizona	245	241	221
Arkansas	3	3	4
Colorado	324	319	402
Iowa	8	7	12
Kansas	13	12	16
Missouri	91	89	110
Montana	447	439	683
New Mexico	332	326	402
North Dakota	316	311	366
Oklahoma	81	79	112
Texas	568	559	663
Utah	305	300	301
Washington	70	69	104
Wyoming	1,944	1,911	2,128
Total Western	**4,759**	**4,676**	**5,540**
Total, United States	**14,671**	**14,422**	**17,100**

In short tons (000).
Source: U.S. Department of Energy, Energy Information administration—Weekly Coal Reports.

	MONTHLY		
	3/83	2/83	3/82
Coal Labor			
All employees			
Coal Mining	197.6	199.4	248.3
Bituminous & Lignite	195.0	196.7	244.9
Production employees			
Coal mining	158.2	159.2	206.2
Bituminous & Lignite	155.9	156.9	203.2
Hours, weekly average			
Coal mining	39.3	38.8	41.3
Bituminous & Lignite	39.4	38.9	41.3
Earnings, hourly average			
Coal mining	13.31	13.37	12.33
Bituminous & Lignite	13.35	13.41	12.37
Earnings, weekly average			
Coal mining	523.08	518.76	509.23
Bituminous & Lignite	525.99	521.65	510.88

Source: U.S. Department of Labor, Bureau of Labor Statistics—Employment and Earnings.

	MONTHLY		
	2/83	1/83	2/82
Bituminous and Lignite Consumption			
Electric power utilities	45,700	53,278	48,795
Coal user stocks of coal			
Electric power utilities	167,845	167,515	148,118
Anthracite Consumption			
Electric power utilities	73	73	83
Coal user stocks of coal			
Electric power utilities	6,104	6,107	5,401

Note: Data give in thousands of short tons.
Source: U.S. Department of Energy's Energy Information Administration—Weekly Coal Report.

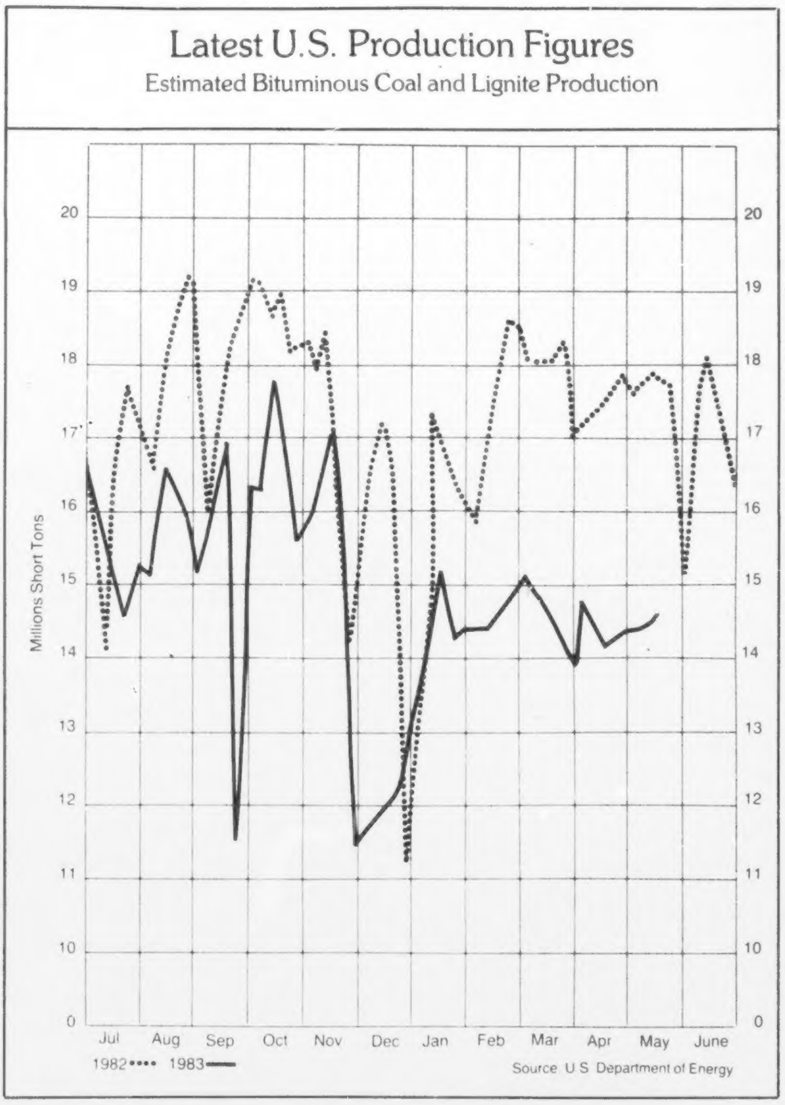
	2/83	1/83	2/82
Coal User Production			
Major district users:			
Electric utilities			
(Mil Kwh.)			
Monthly	92.692	108,164	96.906

	MONTHLY		
Price Indexes	3/83	2/83	11/82
Bituminous Coal and Lignite	104.9	104.2	105.0
Primary Products	103.7	103.2	103.3
Prepared	104.4	103.5	104.4
Steam electric utilities	105.7	104.3	105.4
North Appalachia	104.4	99.5	102.9
Spot	N.A.	N.A.	N.A.
Contract	102.1	N.A.	102.6
South Appalachia	98.2	N.A.	N.A.
Contract	98.0	98.0	99.7
Midwest	109.4	109.3	109.2
Contract	110.7	110.6	110.5
West	109.5	109.1	109.0
Contract	109.5	109.1	109.0
Metallurgical coke producer	101.3	101.2	101.5
High volatile	100.7	100.4	100.0
North Appalachia	97.2	97.2	97.2
Contract	N.A.	N.A.	N.A.
South Appalachia			
Contract	102.7	102.3	101.5
West	99.0	99.0	100.7
Low volatile	99.6	100.3	102.7
North Appalachia			
Contract	97.8	97.8	100.9
South Appalachia			
Contract	N.A.	102.4	104.2
All other industrial	98.5	101.1	99.7
North Appalachia	92.6	N.A.	N.A.
Contract	91.8	92.4	91.2
Midwest			
Contract	107.0	107.0	107.2
Unprepared (raw)	101.1	102.5	99.9
For preparation at other establishments	N.A.	N.A.	N.A.
For use without preparation	N.A.	N.A.	N.A.
Anthracite	152.7	153.2	154.0
Primary products	151.5	152.0	152.6
Prepared anthracite shipped	153.3	153.9	154.7
Stove	148.6	151.2	151.7
Chestnut	148.4	148.4	151.5
Pea	159.0	160.3	160.3
Buckwheat no. 1	149.0	149.0	149.0
Buckwheat no. 2	160.8	160.8	160.8
Buckwheat no. 4	143.9	143.9	143.9
Buckwheat no. 5	110.2	110.2	112.0

N.A.—Not Available

Source: Bureau of Labor Statistics, Department of Labor.
Note: The Bureau of Labor Statistics has recalibrated its producer price index figures for bituminous and lignite, as well as reorganizing its pricing categories. The new index is based on a compilation of average prices for December 1981, and that month appears as 100. The former index used June 1976 prices as its base.

Domestic



Latest U.S. Production Figures

Estimated Bituminous Coal and Lignite Production

Source U.S. Department of Energy

PRODUCTION of bituminous coal and lignite for the week ended May 14 reached 14.671 million short tons, a 249,000-ton and 1.7-percent increase from the previous week. Production for the corresponding period in 1982 was 17.1 million short tons. Output since Jan. 1 totaled 275.499 million short tons, a 15.5 percent drop from the same year-to-date period in 1982.

Exports & Imports

	Quantity in short tons			Dollar Value			Avg. Value per short ton		
Bituminous coal, low volatile blends to make coke No. 5213110	3/83	2/83	3/82	3/83	2/83	3/82	3/83	2/83	3/82
Belgium	146,094	102,086	814,007	9,605,027	6,372,387	41,252,017	65.75	62.42	50.68
Brazil	161,780	260,658	514,418	10,564,837	10,641,939	21,982,830	65.30	40.82	42.73
Canada	42,470	118	505	2,388,764	5,874	23,074	56.25	49.77	45.69
France	286,306	143,400	970,336	15,393,465	5,392,126	48,957,945	53.77	37.60	50.45
Germany, F.H. (West)	44,860	84,860	99,512	2,309,912	4,065,366	5,170,081	51.49	47.90	51.95
Italy	572,042	676,515	673,455	30,581,772	28,779,335	35,730,867	53.46	42.54	53.06
Japan	1,825,087	1,026,776	3,824,548	113,912,012	59,598,260	220,168,421	62.41	58.04	57.57
Netherlands	233,081	182,030	449,993	12,809,887	9,584,337	23,084,802	54.96	52.65	51.30
Spain	262,187	183,130	504,925	15,393,465	7,872,189	26,394,751			
Sweden	—	78,036	—	—	3,704,349	—	—	47.46	—
United Kingdom	114,765	—	207,215	6,758,965	—	11,685,406	58.89	—	56.39
Yugoslavia	35,364	107,563	113,581	1,967,000	5,308,416	7,007,642	55.62	49.35	61.70
Total, above	3,724,036	2,845,172	8,172,495	221,685,106	141,324,578	441,457,836	59.53	49.67	54.02
Total, other nations	526,254	702,612	766,238	28,240,957	40,666,377	40,834,653	53.66	57.87	53.29
Total, all nations	**4,250,290**	**3,547,784**	**8,938,733**	**249,926,063**	**181,990,955**	**482,292,489**	**58.80**	**51.29**	**53.96**

	Quantity in short tons			Dollar Value			Avg. Value per short ton		
	3/83	2/83	3/82	3/83	2/83	3/82	3/83	2/83	3/82
Bituminous coal, others No. 5213120									
Belgium	36,804	—	34,857	1,517,530	—	1,639,716	41.23	—	47.04
Canada	2,783	1,372	819	116,438	60,556	32,760	41.84	44.13	40.00
China, Taiwan	57,515	188,091	57,605	2,269,686	7,866,839	2,566,976	39.46	41.82	44.56
Denmark	212,350	80,879	224,416	10,044,618	4,330,653	11,191,655	47.30	53.54	49.87
Finland	25	—	—	966	—	—	38.64	—	—
France	198,561	213,529	293,947	9,224,855	9,321,491	13,758,629	46.46	43.65	46.81
Germany, F.R. (West)	60,022	984	129,101	3,494,109	192,984	6,987,405	58.21	196.12	54.12
Italy	483,567	199,674	302,907	21,357,373	8,326,455	14,376,113	44.17	41.70	47.46
Japan	337,037	238,043	731,554	16,781,362	11,708,971	39,267,912	49.79	49.18	53.68
Netherlands	196,332	30,903	185,894	9,579,126	1,648,755	7,741,493	48.79	53.35	41.64
Spain	235,481	163,589	274,907	9,829,909	6,408,330	12,958,430	41.74	39.17	47.14
Total, above	1,820,477	1,117,064	2,236,007	84,215,972	49,865,034	110,521,089	46.26	44.63	49.43
Total, other nations	187,048	137,774	212,947	8,587,152	5,047,051	10,682,828	45.91	36.63	50.17
Total, all nations	**2,007,525**	**1,254,838**	**2,448,954**	**92,803,124**	**54,912,085**	**121,203,917**	**46.23**	**43.76**	**49.49**
Lignite No. 5213130									
Total, all nations	**3,661**	**3,350**	**3,642**	**217,060**	**286,457**	**342,437**	**59.20**	**85.50**	**94.02**
Coal coke for use as fuel No. 5213148									
Total, all nations	**31,927**	**43,353**	**84,734**	**2,895,081**	**3,085,027**	**6,542,520**	**90.68**	**71.26**	**77.21**
Petroleum coke, except calcined No. 5213150									
Canada	42,864	12,000	12,398	1,702,382	542,032	672,621	39.72	45.16	54.25
Japan	331,199	391,435	135,817	11,541,633	15,247,119	7,111,090	34.85	38.	52.36
Netherlands	228,257	65,500	105,282	8,115,145	1,526,673	35.55	23.29	54.75	
Total, above	602,320	468,935	253,497	21,359,160	17,315,151	13,548,384	35.46	36.92	53.45
Total, other nations	597,583	303,674	248,236	16,482,768	7,547,868	14,117,779	27.58	24.85	56.87
Total, all nations	**1,199,903**	**772,609**	**501,733**	**37,841,928**	**24,863,019**	**27,666,163**	**31.54**	**32.18**	**55.14**
Compositions for fuel No. 5213160									
Total, all nations	**5,935**	**4,174**	**522**	**351,379**	**252,408**	**79,008**	**59.20**	**60.47**	**151.36**
Anthracite No. 5213170									
Korea Rep. (South)	—	—	77,137	—	—	2,589,186	—	—	35.57
Total, all nations	**29,949**	**1,962**	**84,411**	**2,326,303**	**133,618**	**3,214,323**	**77.68**	**68.10**	**38.08**